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Central Intelligence Agency
Inspector General

REPORT OF INVESTIGATION

UNCLASSIFIED SUMMARY OF INVESTIGATION REGARDING PURPORTED CIA ACTIVITIES AT OR AROUND MENA, ARKANSAS AND RELATED TOPICS

November 8, 1996

Frederick P. Hitz
Inspector General

A. R. Cinquegrana
Deputy Inspector General
for Investigations

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Date MAY 1997

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INVESTIGATIONS STAFF

REPORT OF INVESTIGATION

UNCLASSIFIED SUMMARY OF INVESTIGATION REGARDING PURPORTED CIA ACTIVITIES AT OR AROUND MENA, ARKANSAS AND RELATED TOPICS

November 8, 1996

INTRODUCTION

1. On February 8, 1996, the Chairman of the Committee on Banking and Financial Services, House of Representatives ("Banking Committee"), wrote to the Director of Central Intelligence (DCI) and requested that the Central Intelligence Agency's (CIA) Office of Inspector General (OIG) conduct an investigation regarding long-standing allegations of money laundering and other illegal or improper activities at or around the airport at Mena, Arkansas and any Agency contacts with certain individuals and organizations of interest to the Banking Committee. The DCI agreed to the Banking Committee's request and, on March 13, 1996, formally requested that OIG conduct an investigation.

2. On March 21, 1996, the Banking Committee broadened its request regarding one of the individuals referenced in its original request and, on May 1, 1996, OIG was asked to expand its inquiry to include an additional individual who might have connections to the allegations under review. On June 26, 1996, the Banking Committee again requested that OIG expand its investigation to include another individual who might have relevant ties to the Mena inquiry. On

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October 17, 1996, the Banking Committee submitted another request that OIG include two additional individuals with possible connections to the matters under review. This is an unclassified summary of the findings and conclusions of the OIG investigation. The full details have been included in a classified Report of Investigation that has been made available to the Banking Committee and the intelligence oversight committees of Congress as well as certain other federal agencies.

PROCEDURES AND RESOURCES

3. OIG's inquiry focused only on allegations of CIA involvement in activities pertaining to Mena and any CIA contacts with certain individuals and organizations of interest to the Banking Committee. No attempt was made to investigate the wide range of allegations, rumors and innuendo unrelated to CIA that exist regarding Mena and related topics. Furthermore, OIG's inquiry was based almost exclusively on information in CIA files or provided by current or former CIA employees.

4. OIG responded to the Banking Committee's inquiry by forming an investigative team that included three Investigators, one Research Assistant and two Secretaries. OIG then constructed a comprehensive tasking memorandum that was distributed to all key CIA components. Each component was requested to identify all information in its possession pertaining to the subjects of the investigation.

5. The OIG tasking memorandum directed that responses include all relevant official and "soft files," memoranda, taskings, notes, letters, correspondence, communications, computer mail messages, cable traffic, briefing books, calendars, and personal notes. All categories of material were to be included in responses regardless of their classification or sensitivity. Requests from the Banking Committee that were received subsequent to the tasking memorandum were relayed through focal points to the appropriate Agency components.

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6. In addition, OIG issued an Employee Bulletin to all CIA Headquarters area personnel asking CIA employees to provide OIG with any personal knowledge they might have regarding these topics. A worldwide cable including the same message was issued to all Agency field personnel. OIG also placed an article in the Agency's internal newsletter requesting that CIA employees contact OIG with any personal knowledge regarding these matters.

7. Approximately 40,000 pages of materials were reviewed in connection with this inquiry and over 40 individuals were interviewed. These interviews included current and former Agency employees and were conducted locally and domestically. In addition, discussions were held with non-Agency personnel who appeared to be in a position to provide relevant information.

QUESTIONS PRESENTED AND FINDINGS

8. The OIG investigation involved the following questions, as presented by the House Banking Committee:

DID CIA, OR ANYONE ACTING ON CIA'S BEHALF, CARRY OUT ANY ACTIVITIES AT MENA, ARKANSAS, OR THE AREA NORTH OF MENA, KNOWN AS NELLA, ARKANSAS? IF SO, DID CIA BRIEF, OR OTHERWISE COMMUNICATE THIS INFORMATION TO ARKANSAS STATE OFFICIALS IN THE 1980s?

9. No evidence has been found to indicate that CIA or anyone acting on its behalf participated in, or otherwise had knowledge of, any illegal or improper activities in Mena, Arkansas, or the area north of Mena known as Nella, Arkansas. It has been determined that CIA did engage in the following authorized and lawful activities at Mena Intermountain Airport during a three-year period between 1980 and the present:

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- CIA participated in a joint training operation with another federal agency at Mena Intermountain Airport. The CIA's role in this two-week exercise was classified and not publicly disclosed. All coordination and interface with local officials was handled by the other federal agency.

- Certain Mena Intermountain Airport businesses occasionally were contracted with to perform routine aviation-related services on equipment owned by the CIA. The selection of these businesses was based upon the companies' ability to perform the required services at competitive prices and on their professional reputations within aviation circles. The companies and their employees were not informed that CIA owned the equipment that was being serviced.

WHAT WAS THE NATURE AND EXTENT OF ANY CIA CONTACT OR RELATIONSHIP WITH ADLER BERRIMAN SEAL AND HIS ACTIVITIES?

10. Adler Berriman "Barry" Seal was never employed by CIA in any capacity. The only limited contact any CIA personnel had with Seal was during a two-day period in 1984 when Seal was involved in a Drug Enforcement Administration (DEA) *sting* operation that subsequently implicated a Nicaraguan Government* official and members of the Medellin drug cartel in a conspiracy to smuggle cocaine into the United States. CIA provided technical support to this operation which involved the installation of two 35mm cameras into a C-123K airplane that Seal used during the operation. CIA personnel discussed with Seal options for installing the cameras in the aircraft, and instructed him on the methods of operating the cameras. Other CIA personnel who were present had passing or

* The Government of Nicaragua was also widely known as the Sandinista Government during the relevant time period.

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otherwise brief discussions with Seal. During the course of these discussions, Seal was escorted by DEA personnel. No evidence has been found to indicate that CIA knew Seal's true identity prior to the operation or that its personnel had any other contact with Seal before or after this 1984 operation.

DID CIA REQUEST DIRECTLY OR INDIRECTLY THAT THE DEPARTMENT OF JUSTICE (DOJ) OR OTHER FEDERAL AGENCIES TERMINATE OR ALTER ANY INVESTIGATIONS OR PROSECUTIONS RELATING TO MONEY LAUNDERING ACTIVITIES AT OR AROUND MENA, ARKANSAS?

11. No evidence has been found to indicate that CIA or its personnel requested directly or indirectly that DoJ or other federal agencies terminate or alter any investigations or prosecutions relating to money laundering activities at or around Mena, Arkansas.

WHAT WAS THE NATURE AND EXTENT OF ANY CIA CONTACT OR RELATIONSHIP WITH LARRY DOUGLASS "L.D." BROWN?

12. Agency records indicate that Larry Douglass Brown was an applicant for employment with CIA in 1984 and that he did have contact with one or, possibly, two CIA recruitment personnel in that context. Those records also indicate that a decision was made on December 4, 1984 not to offer him such employment. No evidence has been found to indicate that he was employed or otherwise associated with CIA.

WHAT WAS THE NATURE AND EXTENT OF ANY CIA CONTACT OR RELATIONSHIP FROM 1980 TO THE PRESENT WITH CERTAIN INDIVIDUALS OR BUSINESSES BASED AT, OR OPERATING THROUGH, THE AIRPORT AT MENA, ARKANSAS?

13. No evidence has been found that CIA had contact with any individuals or businesses based at, or operating through, the airport at Mena, Arkansas, except for the joint training operation and maintenance activities addressed elsewhere in this summary.

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Furthermore, no evidence has been found that CIA was associated with money laundering, narcotics trafficking, arms smuggling, or other illegal activities at or around Mena, Arkansas at any time.

A. R. Cinquegrana

CONCUR:

Frederick P. Hitz
Inspector General

Date 11/8/96

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Central Intelligence Agency
Inspector General

REPORT OF INVESTIGATION

INVESTIGATION REGARDING PURPORTED CIA ACTIVITIES AT OR AROUND MENA, ARKANSAS AND RELATED TOPICS

(96-0036-IG)

November 8, 1996

Frederick P. Hitz
Inspector General

A. R. Cinquegrana
Deputy Inspector General
for Investigations

Investigators *Assistants*

(b)(3) CIAAct
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(b)(7)(c)
(b)(7)(f)

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(b)(3) CIAAct
(b)(3) NatSecAct

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DID CIA REQUEST DIRECTLY OR INDIRECTLY THAT THE DEPARTMENT OF JUSTICE OR OTHER FEDERAL AGENCIES TERMINATE OR ALTER ANY INVESTIGATIONS OR PROSECUTIONS RELATING TO MONEY LAUNDERING ACTIVITIES AT OR AROUND MENA, ARKANSAS? *50*

WHAT WAS THE NATURE AND EXTENT OF ANY CIA CONTACT OR RELATIONSHIP WITH LARRY DOUGLASS "L. D." BROWN? *51*

WHAT WAS THE NATURE AND EXTENT OF ANY CIA CONTACT OR RELATIONSHIP FROM 1980 TO THE PRESENT WITH CERTAIN INDIVIDUALS OR BUSINESSES BASED AT, OR OPERATING THROUGH, THE AIRPORT AT MENA, ARKANSAS? *55*

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INVESTIGATION REGARDING PURPORTED CIA ACTIVITIES AT OR AROUND MENA, ARKANSAS AND RELATED TOPICS (96-0036-IG)

November 8, 1996

INTRODUCTION

1. (U) On February 8, 1996, the Chairman of the Committee on Banking and Financial Services, House of Representatives ("Banking Committee"), wrote to the Director of Central Intelligence (DCI) and requested that the Central Intelligence Agency's (CIA) Office of Inspector General (OIG) conduct an investigation regarding long-standing allegations of money laundering and other illegal or improper activities at or around the airport at Mena, Arkansas. The DCI agreed to the Banking Committee's request and, on March 13, 1996, formally requested that OIG conduct an investigation.

2. (U) On March 21, 1996, the Banking Committee broadened its request regarding one of the individuals referenced in its original request and, on May 1, 1996, OIG was asked to expand its inquiry to include an additional individual who might have connections to the Mena matter. On June 26, 1996, the Banking Committee again requested that OIG expand its investigation to include another individual who might have relevant ties to the Mena investigation.

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On October 17, 1996, the Banking Committee submitted another request that OIG expand its inquiry to include two additional individuals with possible connections to the matters under review.

SUMMARY

3. ~~(S)~~ No evidence has been found to indicate that CIA or anyone acting on its behalf participated in, or otherwise had knowledge of, illegal or improper activities at Mena, Arkansas, or the area north of Mena known as Nella, Arkansas. No evidence has been found to indicate any CIA activities at, near, or relating to Mena prior to [redacted] but it has been determined that CIA did engage in the following authorized and lawful activities at Mena Intermountain Airport between [redacted] and [redacted]

(b)(3) NatSecAct

- In [redacted] CIA participated in a Department of Defense (DoD) training exercise. This participation [redacted] Certain Arkansas state and local officials were informed of the exercise by DoD, [redacted] and [redacted]

(b)(1)
(b)(3) NatSecAct

(b)(3) NatSecAct

- Between [redacted] and [redacted] Mena Intermountain Airport businesses were contracted with [redacted] for aviation-related services, [redacted] The companies and their employees were not told [redacted] the [redacted] were CIA property.

(b)(1)
(b)(3) NatSecAct

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4. ~~(S)~~ In late June 1984, CIA had contact with Adler Berriman "Barry" Seal in the context of CIA support to a Drug Enforcement Administration (DEA) operation.[1] This DEA operation subsequently implicated a Nicaraguan Government[2] official and members of the Medellin drug cartel in a conspiracy to smuggle cocaine into the United States. No evidence has been found to indicate that CIA or its personnel had any other contact with Seal before or after the June 1984 operation.

5. ~~(S)~~ No evidence has been found to indicate that CIA or its personnel requested directly or indirectly that the Department of Justice (DoJ) or other federal agencies terminate or alter any investigations or prosecutions relating to money laundering activities at or around Mena, Arkansas. CIA personnel did offer to support a DEA effort in 1984

(b)(1)
(b)(3) NatSecAct
(b)(7)(d)

6. ~~(AIUO/~~U) According to Agency records, Arkansas State Trooper Larry Douglass "L. D." Brown applied for employment with CIA in 1984

(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

(b)(3) NatSecAct

[1] (U) It appears that CIA did not know Seal's identity until the day of the operation, June 1984.

(b)(3) NatSecAct
(b)(7)(d)

[2] (U) The Government of Nicaragua was also widely known as the Sandinista Government during the relevant time period.

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7. (U) All these CIA activities were consistent with appropriate Executive Orders, U.S. law and CIA regulatory guidelines. No evidence has been found to indicate that CIA employees or affiliates violated any local, state, or federal law, or engaged in any activities inconsistent with their CIA employment or affiliation.

PROCEDURES AND RESOURCES

8. (~~AIUO~~/U) OIG responded to the Banking Committee's inquiry by forming an investigative team that included three Investigators, one Research Assistant and two Secretaries. OIG then constructed a comprehensive [redacted] tasking memorandum that was distributed to all key CIA components [redacted] and requested that they identify all information in their possession pertaining to the subjects of the investigation. The scope of OIG's inquiry focused only on allegations of CIA involvement, and no attempt was made to investigate the wide range of allegations and rumors unrelated to CIA that have been generated regarding Mena and related topics. OIG's inquiry was based almost exclusively on information in CIA files or provided by current or former CIA employees. [redacted] (b)(3) NatSecAct (b)(3) NatSecAct (b)(3) NatSecAct (b)(7)(c)

9. (~~AIUO~~/U) The OIG tasking memorandum to CIA components covered [redacted] searchable terms and was organized into four broad topic areas, including: (b)(3) NatSecAct

- Whether CIA, or anyone acting on CIA's behalf, carried out any activities at Mena, Arkansas, or the area north of Mena, known as Nella, Arkansas, and, if so, whether CIA briefed, or otherwise communicated with, Arkansas state officials in the 1980s;

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- Whether there was any CIA contact or relationship with Adler Berriman Seal (aka Barry Seal, A. B. Seal, FNU Billings, Berry Seal, Eric Arthur, Ellis McKenzie, "El Gordo," Joseph Warren Church) and his activities;

- Whether CIA attempted to influence or request, directly or indirectly, that the DoJ or other federal agencies terminate or alter any investigations or prosecutions of money laundering activities at or around Mena, Arkansas; and

- Whether CIA had any contact with certain individuals or businesses [redacted] (b)(3) NatSecAct money laundering, narcotics trafficking, arms smuggling, or other illegal activities (including illicit aircraft modifications) based at, or operating through, the airport at Mena, Arkansas, from 1980 to the present.

The tasking memorandum directed that responses include all relevant official and soft files, memoranda, taskings, notes, letters, correspondence, communications, Lotus Notes and other computer mail messages, cable traffic, briefing books, calendars, and personal notes. All categories of material were to be included in responses regardless of their classification or sensitivity.

(b)(3) NatSecAct

10. (~~AIUO~~/U) Subsequently, OIG received [redacted] additional requests from the Banking Committee and relayed these requests through focal points to the appropriate Agency components. Focal points were asked on [redacted] to expand their respective inquiries regarding Arkansas State Trooper L.D. Brown to include an alias, "Michael Johnson." [redacted]

(b)(3) NatSecAct

(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

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(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

11. (~~AIUO~~/U) In addition to these OIG taskings, OIG issued an Employee Bulletin to all CIA Headquarters area personnel, dated May 15, 1996, asking CIA employees to provide OIG with any personal knowledge they might have regarding these topics. A world-wide cable including the same message was issued [redacted] to all Agency field personnel and [redacted] OIG placed an article in the Agency newsletter, "What's News at CIA," requesting that CIA employees contact OIG with any personal knowledge regarding these matters. (b)(3) NatSecAct (b)(3) NatSecAct (b)(3) NatSecAct

12. (~~AIUO~~/U) Approximately 40,000 pages of materials were reviewed in connection with this inquiry and over 40 individuals were interviewed. These interviews included current and former Agency employees and were conducted locally [redacted] In addition, discussions were held with non-Agency personnel who appeared to be in a position to provide relevant information. (b)(3) NatSecAct (b)(3) NatSecAct

QUESTIONS PRESENTED

13. (~~AIUO~~/U) This Report addresses the following questions, as presented by the House Banking Committee:

- Did CIA, or anyone acting on CIA's behalf, carry out any activities at Mena, Arkansas, or the area north of Mena, known as Nella, Arkansas? If so, did CIA brief, or otherwise communicate, this

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information to Arkansas state officials in the 1980s?

- What was the nature and extent of any CIA contact or relationship with Adler Berriman Seal and his activities?
- Did CIA request directly or indirectly that the DoJ or other federal agencies terminate or alter any investigations or prosecutions relating to money laundering activities at or around Mena, Arkansas?
- What was the nature and extent of any CIA contact or relationship with Larry Douglass "L.D." Brown?
- What was the nature and extent of any CIA contact or relationship from 1980 to the present with certain individuals or businesses based at, or operating through, the airport at Mena, Arkansas?

FINDINGS

DID CIA, OR ANYONE ACTING ON CIA'S BEHALF, CARRY OUT ANY ACTIVITIES AT MENA, ARKANSAS, OR THE AREA NORTH OF MENA, KNOWN AS NELLA, ARKANSAS? IF SO, DID CIA BRIEF, OR OTHERWISE COMMUNICATE THIS INFORMATION TO ARKANSAS STATE OFFICIALS IN THE 1980S?

(b)(1)
(b)(3) NatSecAct

14. ~~(S)~~ No evidence has been found to indicate any CIA activities at, near, or relating to Mena prior to [redacted] CIA did, in fact, conduct certain activities at Mena Intermountain Airport between [redacted] These activities fall into two categories: (a) support to a [redacted] DoD training exercise [redacted] and (b) routine [redacted] maintenance of CIA [redacted] No evidence has been found to indicate that these

(b)(1)
(b)(3) NatSecAct

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activities were inconsistent with, or otherwise violated, relevant Executive Orders, statutes or regulatory guidelines.

DoD Exercise [redacted] (b)(1)

A. Background

[redacted] (b)(1)
(b)(3) NatSecAct

[redacted] (b)(1)
(b)(3) NatSecAct

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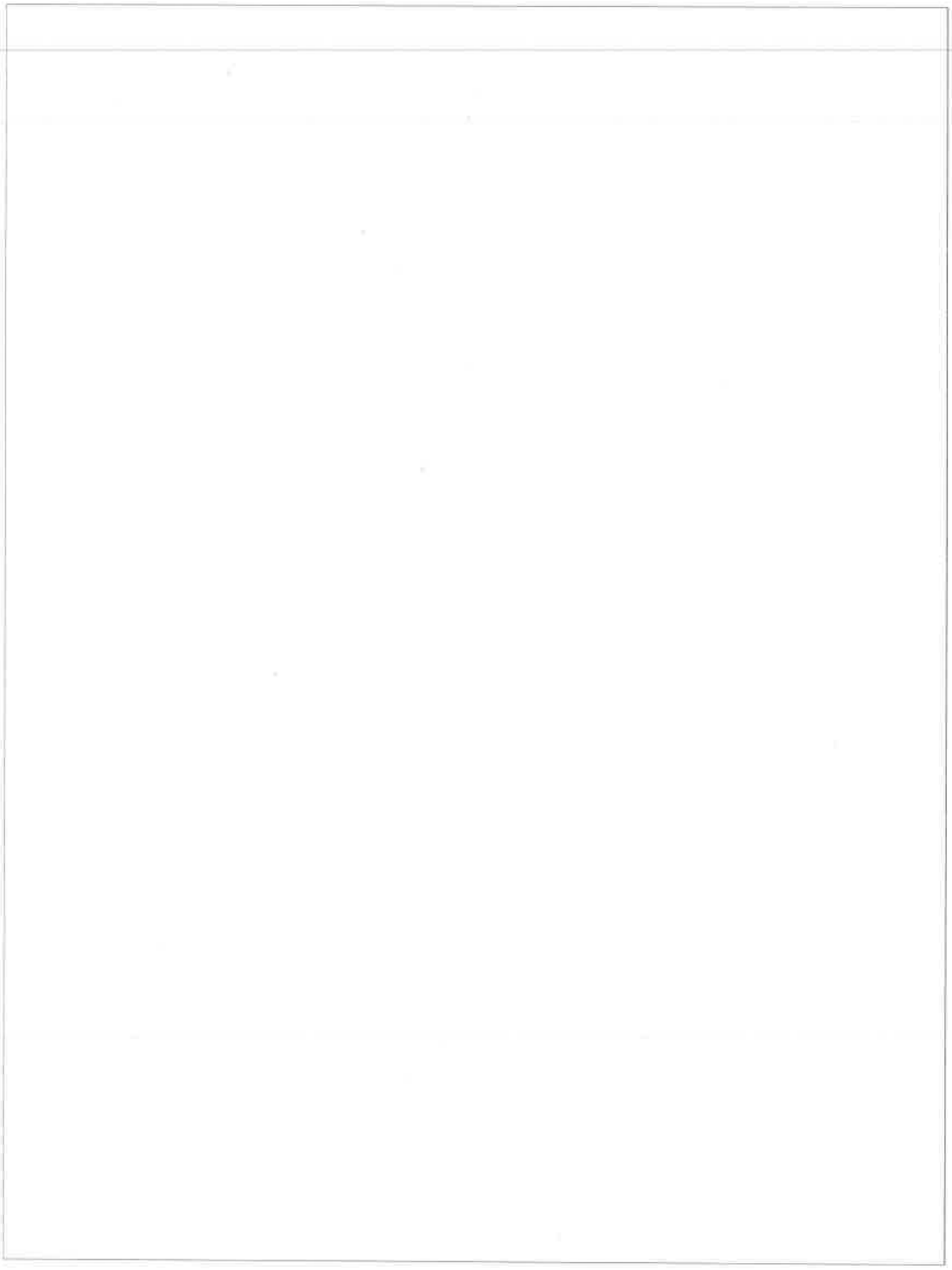
B. Prelude to Deployment



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[redacted]

(b)(1)
(b)(3) NatSecAct
(b)(7)(c)

C. Communicating with Arkansas State and Local Officials

20. ~~(S)~~ The Major states that, as part of the advance arrangements, he personally briefed the supervisor for the Arkansas State Police district that encompassed the Mena area. The Major also says that he made a point to visit and brief the Mayor of Mena, either the Mena Chief of Police or the county sheriff, and the person responsible for operating Mena Intermountain Airport. The purpose of the briefings was to inform the officials–

[redacted]

(b)(1)

[redacted]

(b)(1)
(b)(3) NatSecAct
(b)(7)(c)

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(b)(1)

(b)(1)
(b)(3) NatSecAct
(b)(7)(c)

no evidence has been found to indicate that CIA representatives communicated with any Arkansas officials regarding the exercise.

D. Deployment

(b)(1)
(b)(3) NatSecAct

(b)(1)

(b)(3) NatSecAct

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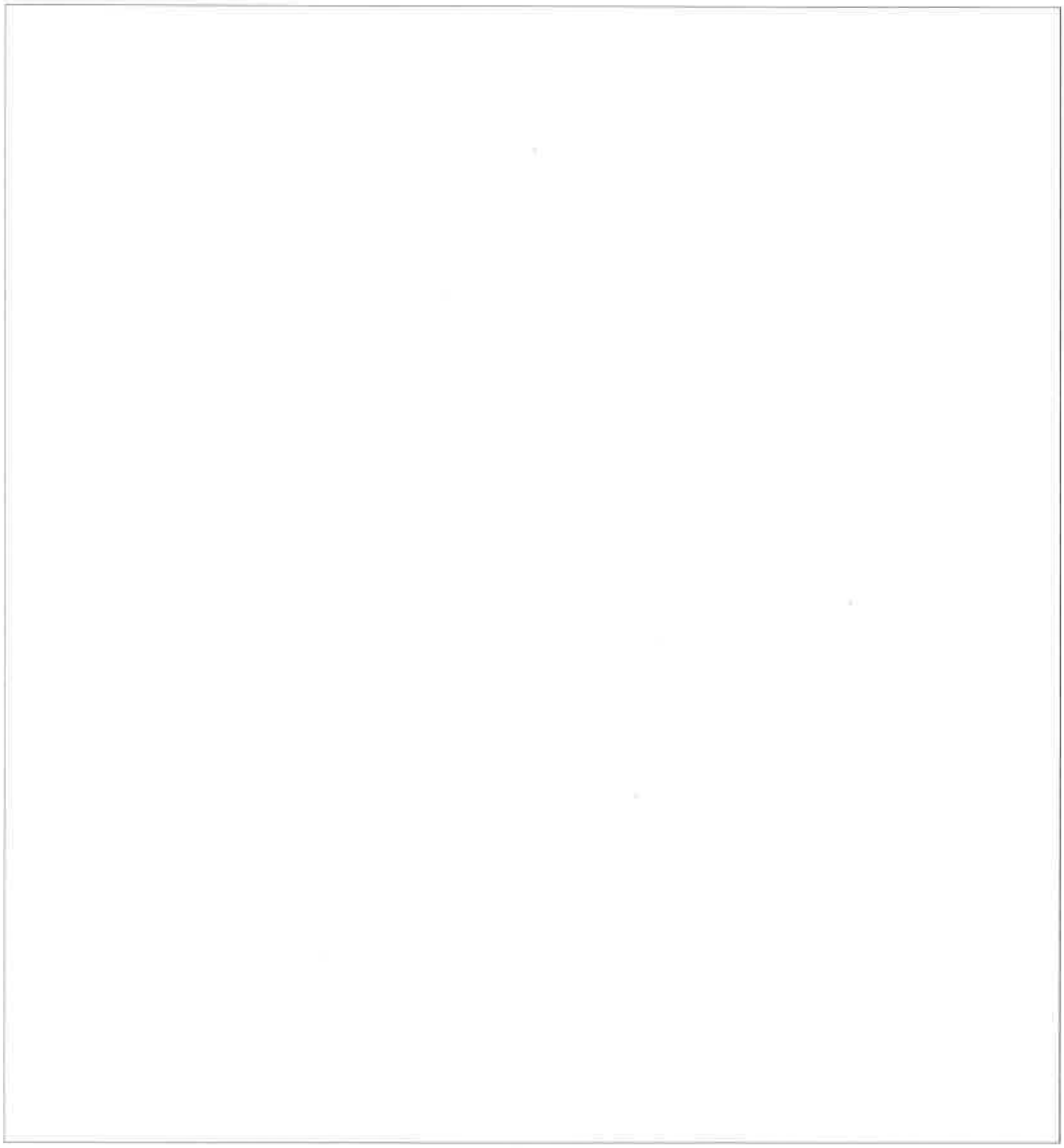

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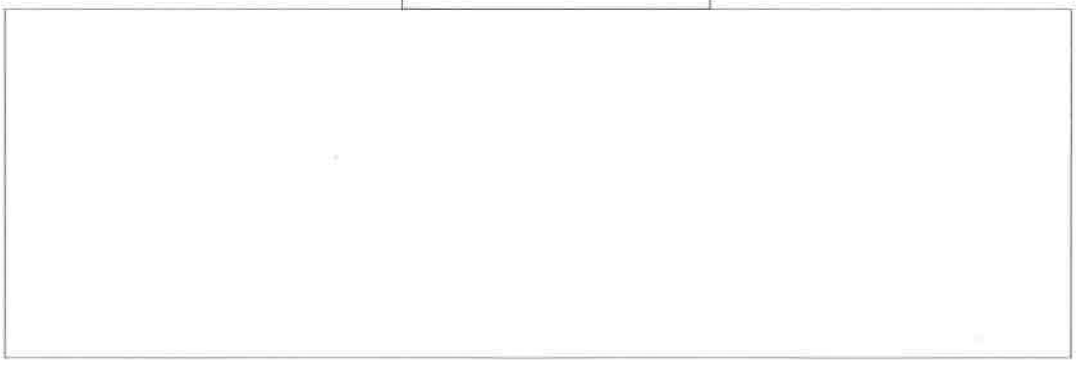
E. Exercise Climax

(b)(3) NatSecAct



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(b)(3) NatSecAct
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~~(S)~~ Following the completion of the exercise,

F. Operational Security

(b)(1)
(b)(3) NatSecAct
(b)(7)(c)

(b)(1)

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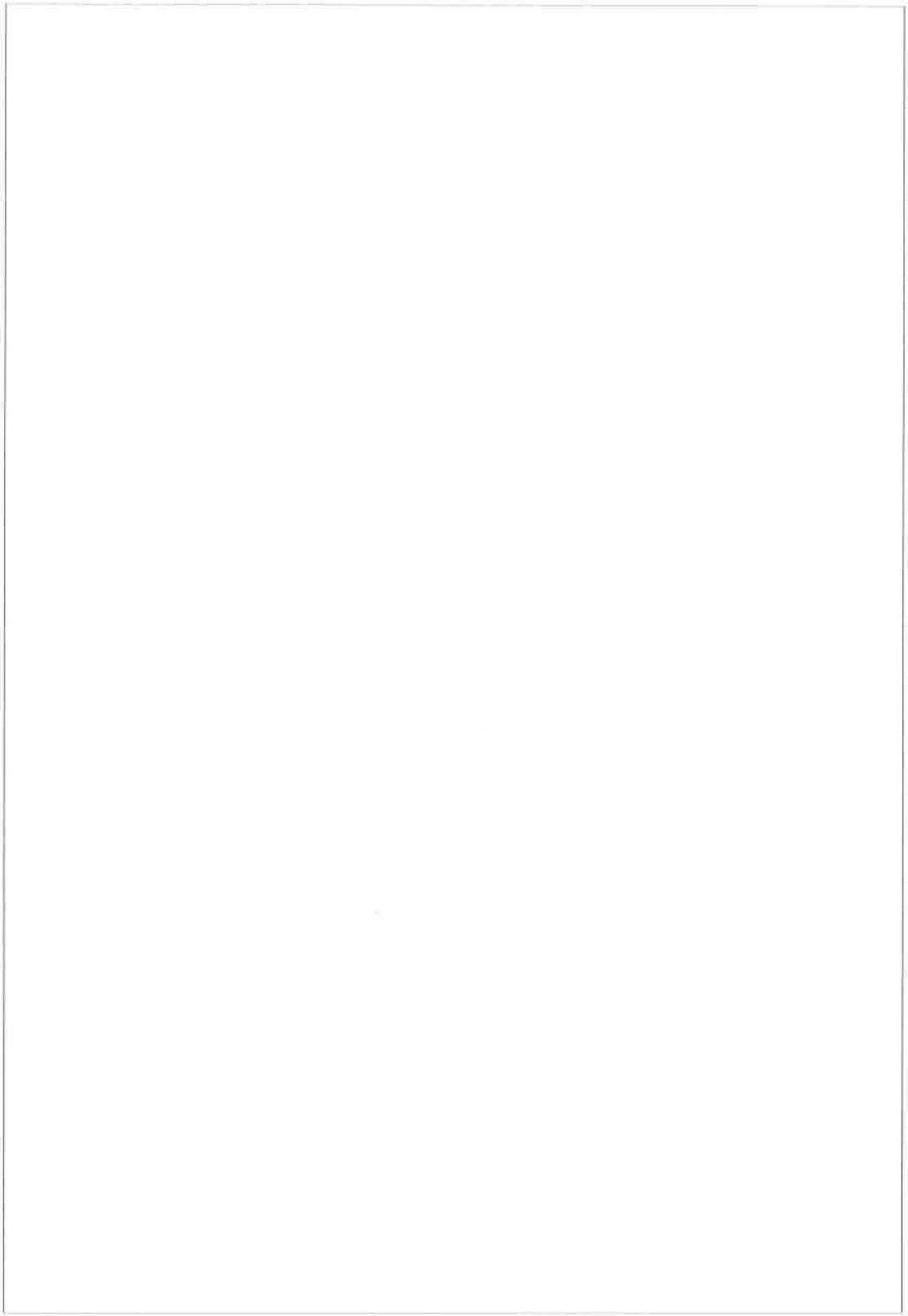

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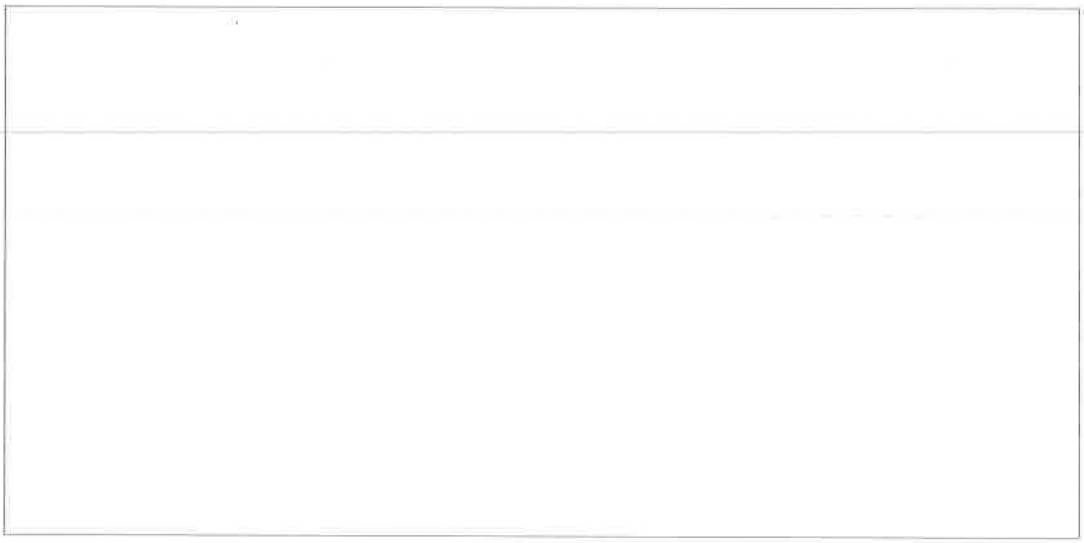

G. Local Lore

36. ~~(S)~~ [redacted] local lore regarding the airport at Mena already existed at the time of the exercise. As an example, the Major recalls a passing discussion with two brothers whose company owned the hangar that was rented for the exercise.[11] In discussing the airport, the brothers insinuated to the Major that the CIA might have used the airport in the past for "gun running," possibly to the Contras. [redacted] The Major characterizes the brothers' comments as rumors and innuendo, lacking in detail.

(b)(1)
(b)(3) NatSecAct
(b)(7)(c)

(b)(1)
(b)(3) NatSecAct

[redacted]

(b)(1)
(b)(3) NatSecAct

11 [redacted]

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37. ~~(S)~~ The Major also recalls that an employee of the airport who was responsible for refueling airplanes often made comments to him regarding the airport's allegedly colorful past. As recalled by the Major, this individual was somewhat "gossipy" and never provided the Major with specific examples to support his stories.

(b)(1)
(b)(3) NatSecAct
(b)(7)(c)

38. ~~(S)~~ Another [redacted] comments that she was told by one of the two brothers that a CIA airplane or helicopter had crashed into a mountain near Mena several years before. Reportedly, the site of the crash had been sealed off and no one had been allowed into the area. What led to the conclusion that the crashed aircraft belonged to CIA was not disclosed to [redacted]

(b)(1)
(b)(3) NatSecAct
(b)(7)(c)

39. ~~(S)~~ Several exercise participants also recall noticing that a derelict C-130--or its L-100 commercial equivalent--was parked at Mena Intermountain Airport. [redacted]

(b)(1)
(b)(3) NatSecAct

(b)(1)
(b)(3) NatSecAct
(b)(7)(c)

[redacted]

(b)(3) NatSecAct

[redacted]

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[redacted] (b)(1) (b)(3) NatSecAct

[redacted] Maintenance of CIA [redacted] (b)(1) (b)(3) NatSecAct

(b)(1) (b)(3) NatSecAct

41. ~~(S)~~ [redacted] contract with [redacted] companies [redacted] (b)(1) (b)(3) NatSecAct Mena Intermountain Airport to service CIA [redacted] Their selection by CIA [redacted] personnel appears to have been based upon the companies' ability to perform the required services at competitive prices and on their reputations within aviation circles. All work was performed between [redacted] (b)(1) (b)(3) NatSecAct

[redacted] (b)(1) (b)(3) NatSecAct (b)(6) (b)(7)(c)

~~SECRET~~

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(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

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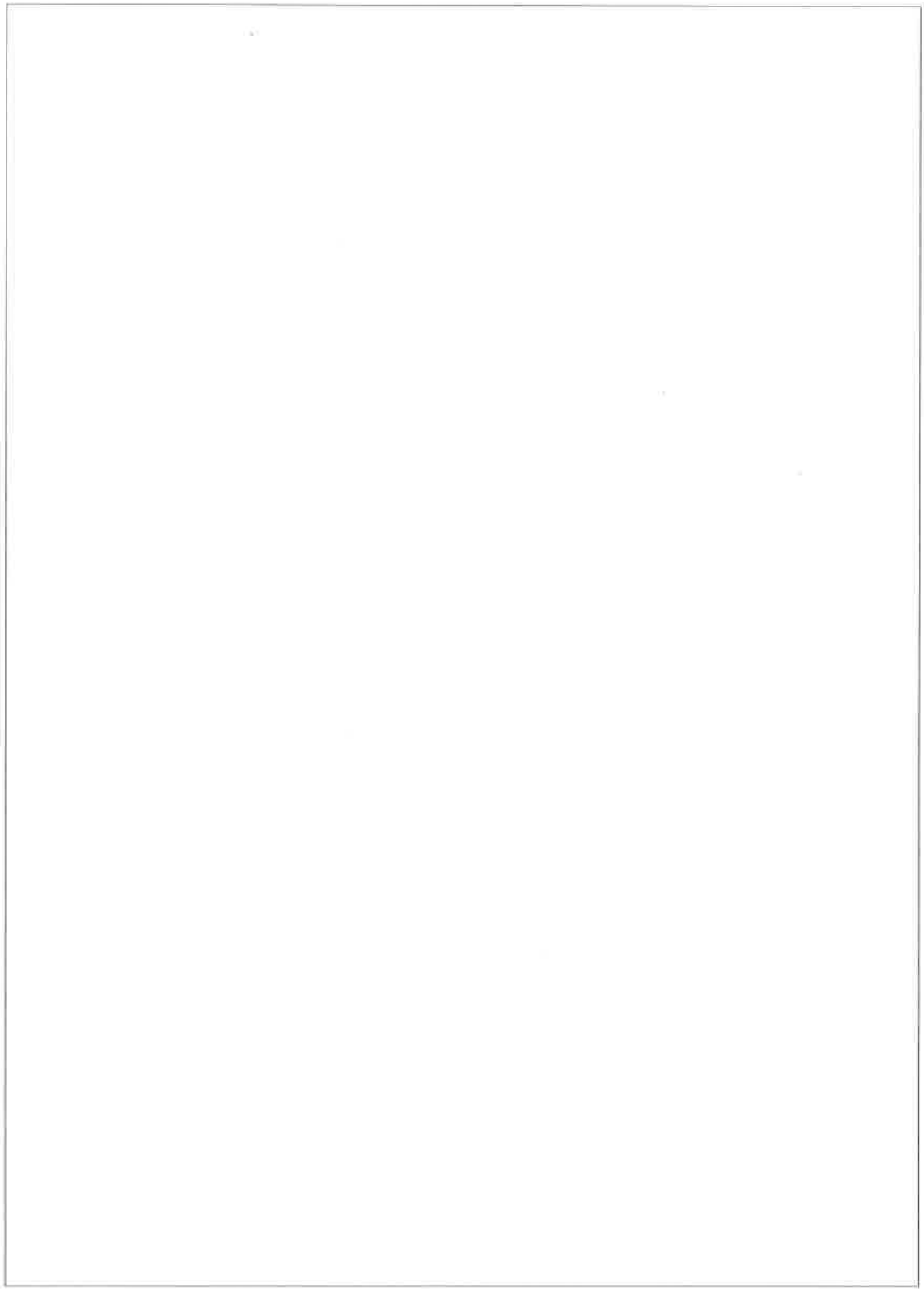

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(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

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(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

50. ~~(S)~~ No evidence has been found to indicate that [redacted] business or persons in the town of Mena, its airport, or officials of the State of Arkansas, were told or aware [redacted] being serviced were owned by CIA.

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

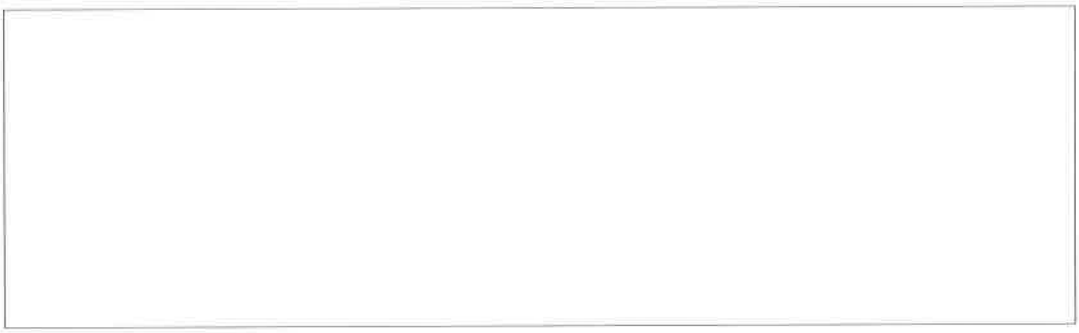
(b)(1)
(b)(3) NatSecAct

DoD Exercise Activities at or Near Nella, Arkansas

51. ~~(S)~~ No evidence has been found to indicate that CIA or anyone acting on CIA's behalf conducted any activity at or around Nella, Arkansas either before, during or after the [redacted] exercise at Mena.

(b)(1)
(b)(3) NatSecAct

(b)(1)
(b)(3) NatSecAct



(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

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(b)(1)
(b)(3) NatSecAct

52. ~~(S)~~ According to [redacted] participants and Agency records, all exercise activities were staged out of Mena Intermountain Airport. [redacted]

(b)(1)
(b)(3) NatSecAct

[redacted]

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

WHAT WAS THE NATURE AND EXTENT OF ANY CIA CONTACT OR RELATIONSHIP WITH ADLER BERRIMAN SEAL AND HIS ACTIVITIES?

54. ~~(S)~~ No evidence has been found to indicate that CIA employed or utilized Adler Berriman "Barry" Seal in any capacity. Certain CIA personnel did, however, have limited contact with Seal in the context of providing technical [redacted] support to a June 1984 DEA *sting* operation that originated in Florida. [redacted]

(b)(1)
(b)(3) NatSecAct

55. ~~(S)~~ Based upon CIA records and the recollections of current and former CIA personnel who were involved in this support activity, it appears that Seal's true identity was not disclosed to CIA personnel by DEA. [redacted]

(b)(1)
(b)(3) NatSecAct
(b)(7)(d)

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56. ~~(S)~~ It later became public knowledge that Seal, piloting a Fairchild C-123K nicknamed *Fat Lady*, [redacted] (b)(1) (b)(3) NatSecAct

[redacted] Seal activated a concealed camera that surreptitiously photographed a number of individuals loading and supervising the loading of almost 700 kilograms of cocaine onto the airplane. [redacted] (b)(1) (b)(3) NatSecAct

[redacted] (b)(1) (b)(3) NatSecAct (b)(6) (b)(7)(c) (b)(7)(d)

[redacted] (b)(1) (b)(3) NatSecAct (b)(6) (b)(7)(c)

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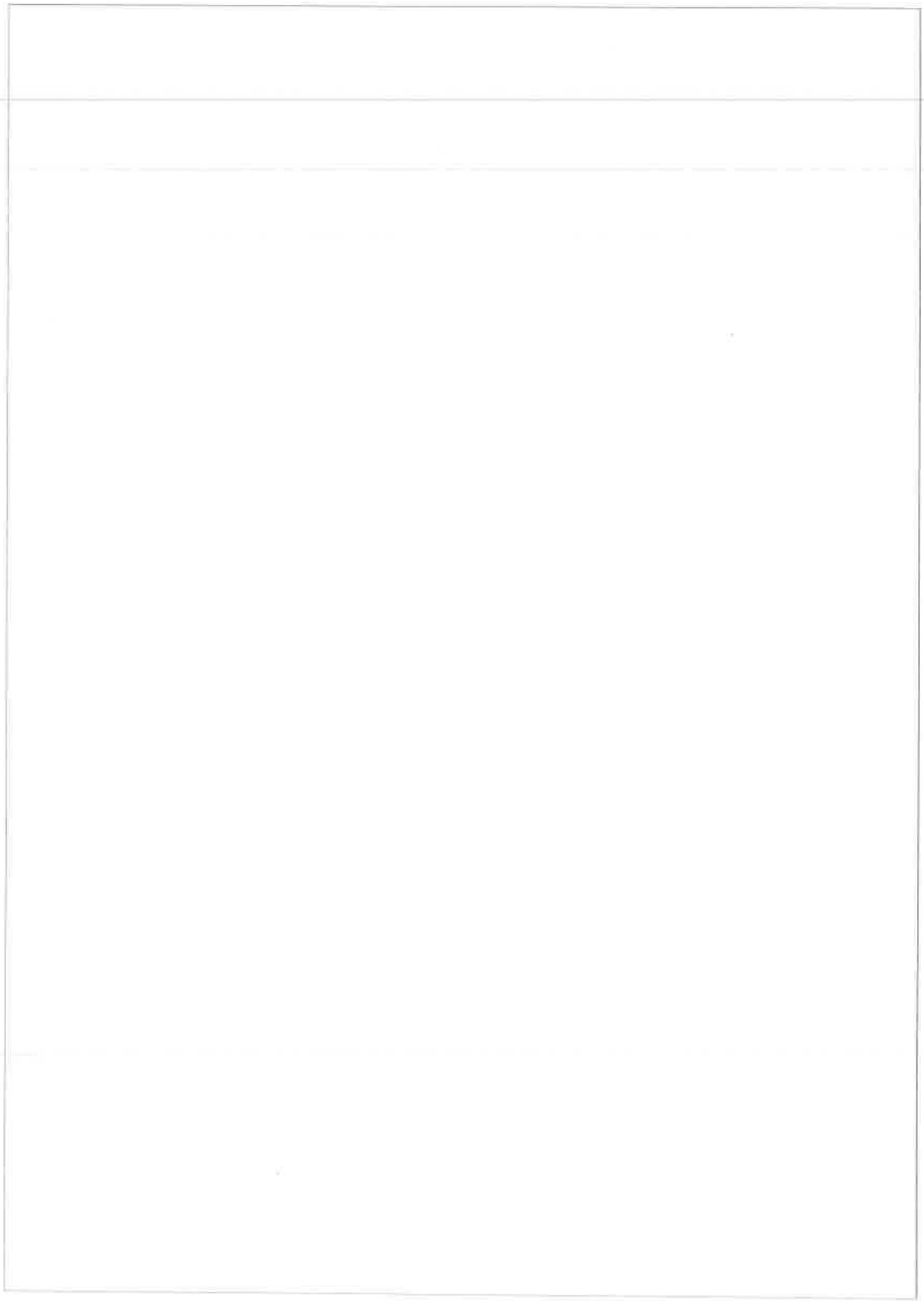

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)
(b)(7)(d)

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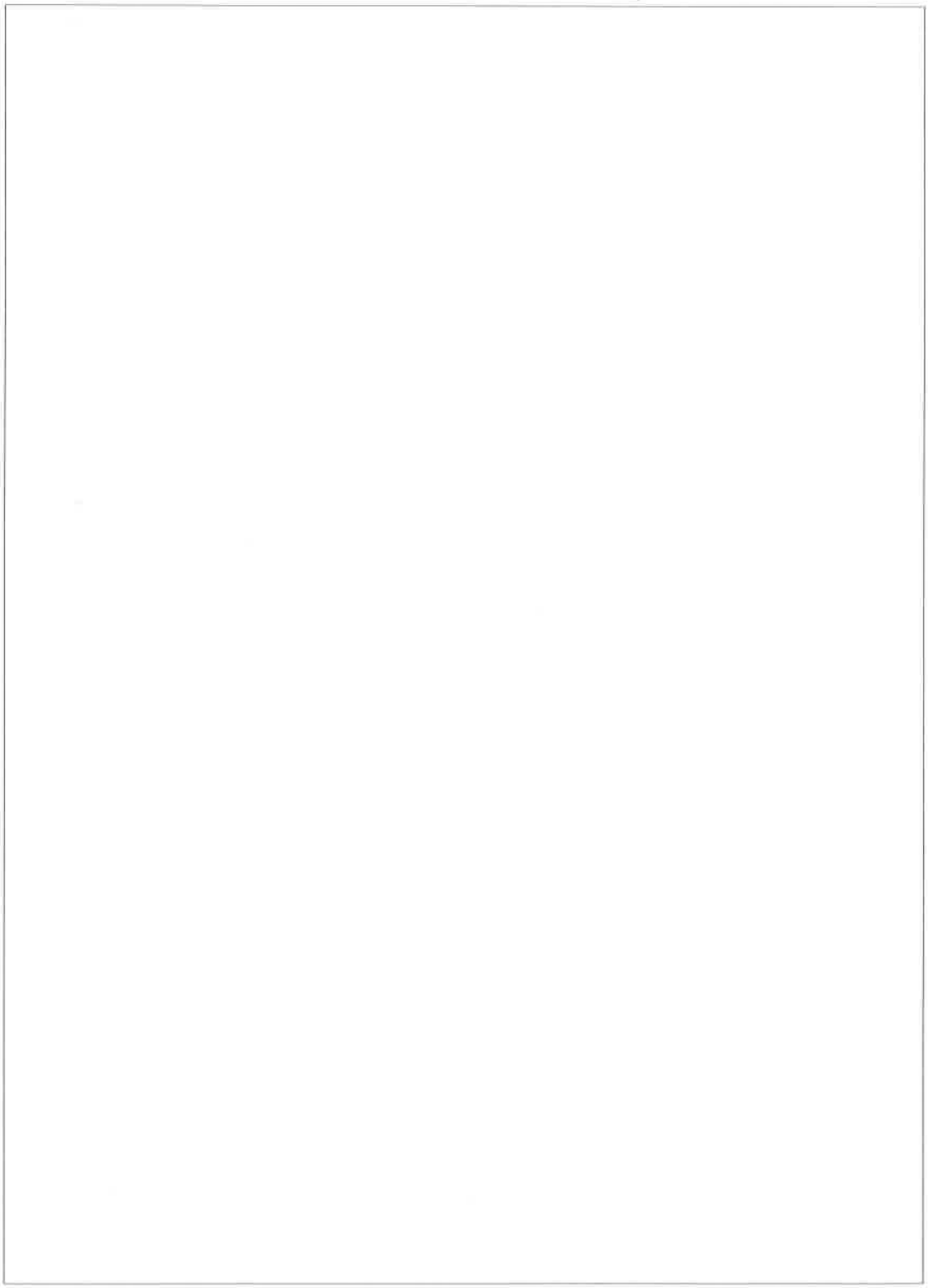

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)
(b)(7)(d)

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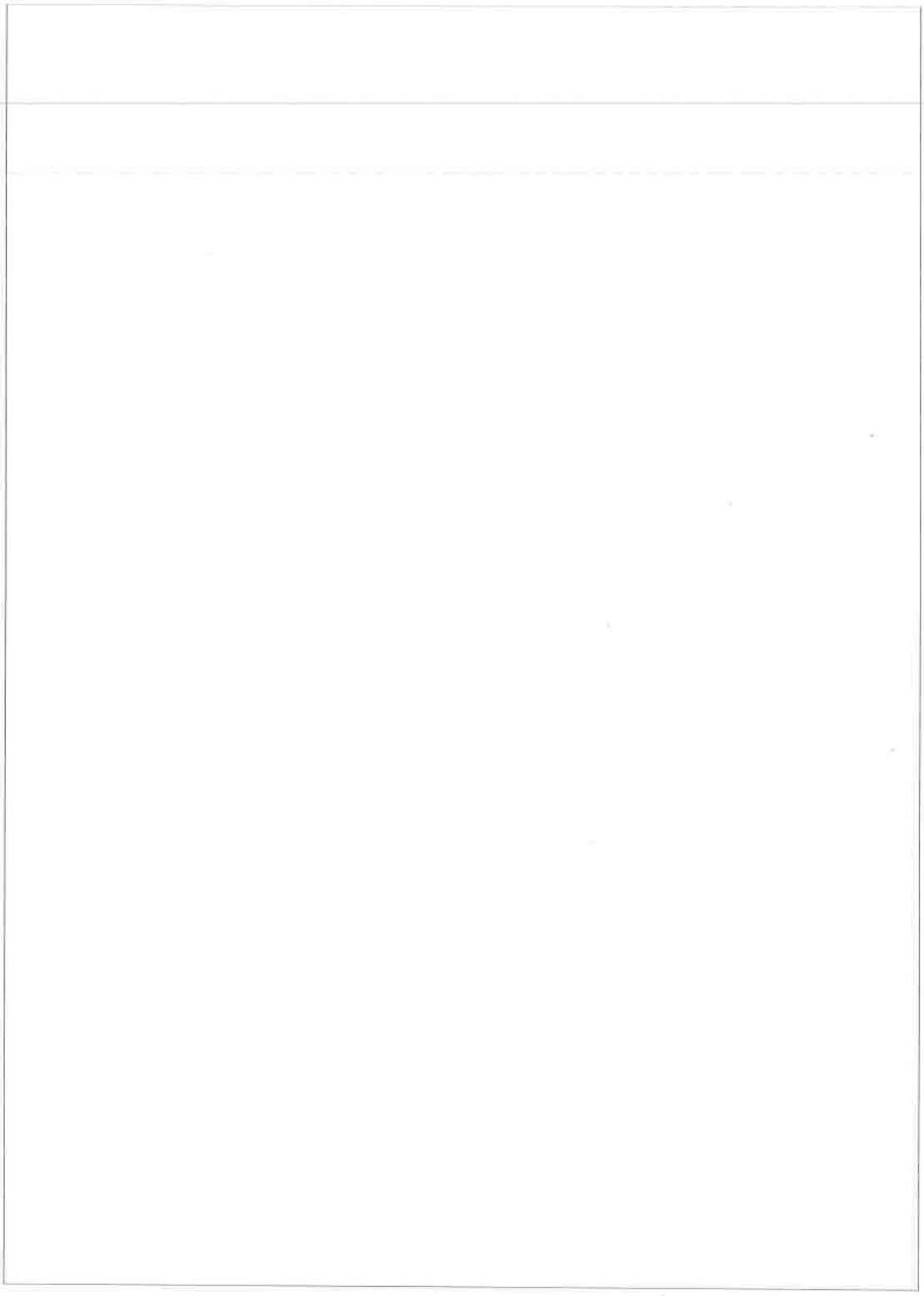

(b)(1)
(b)(3) NatSecAct
(b)(6)
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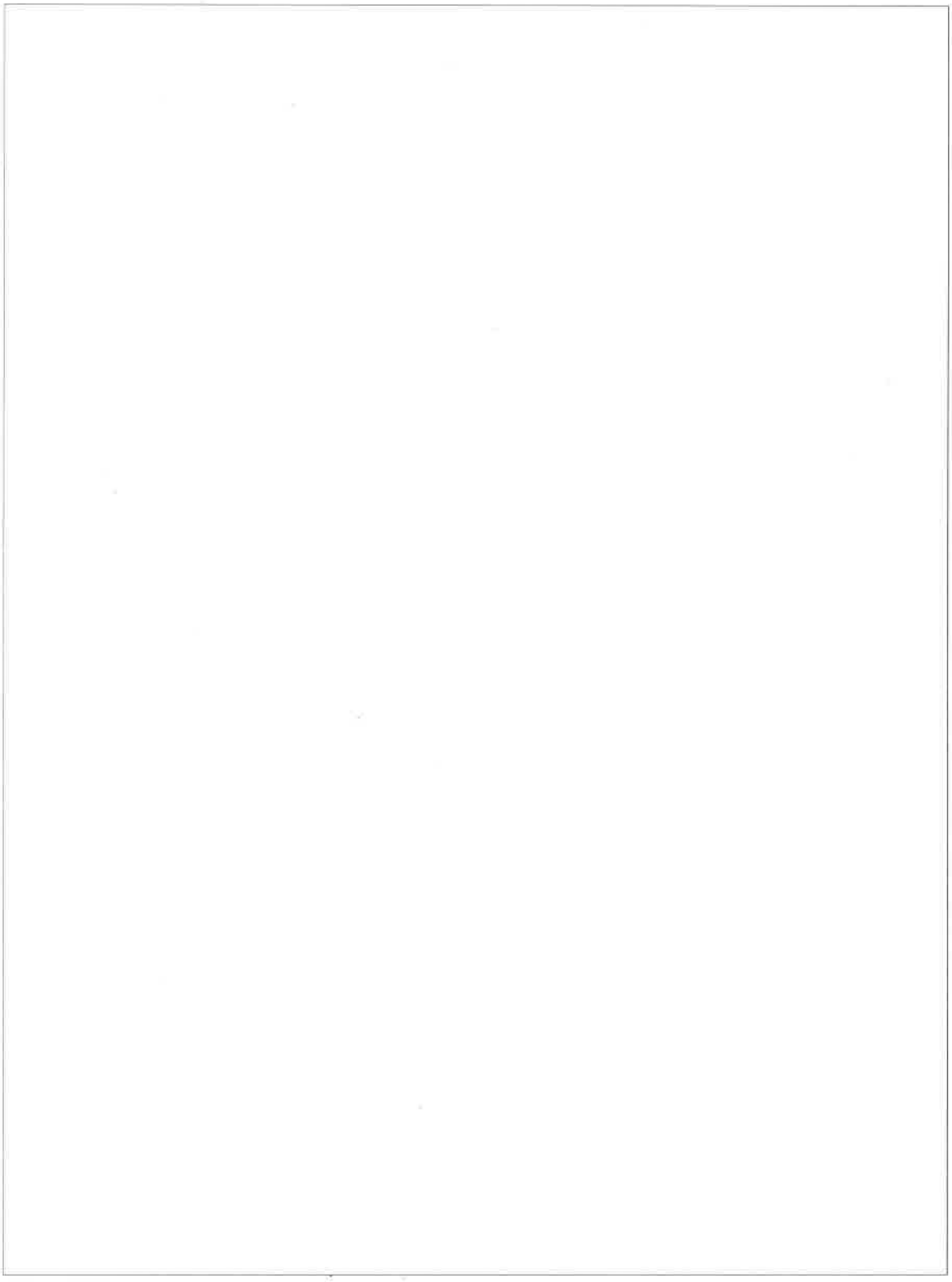

(b)(1)
(b)(3) NatSecAct
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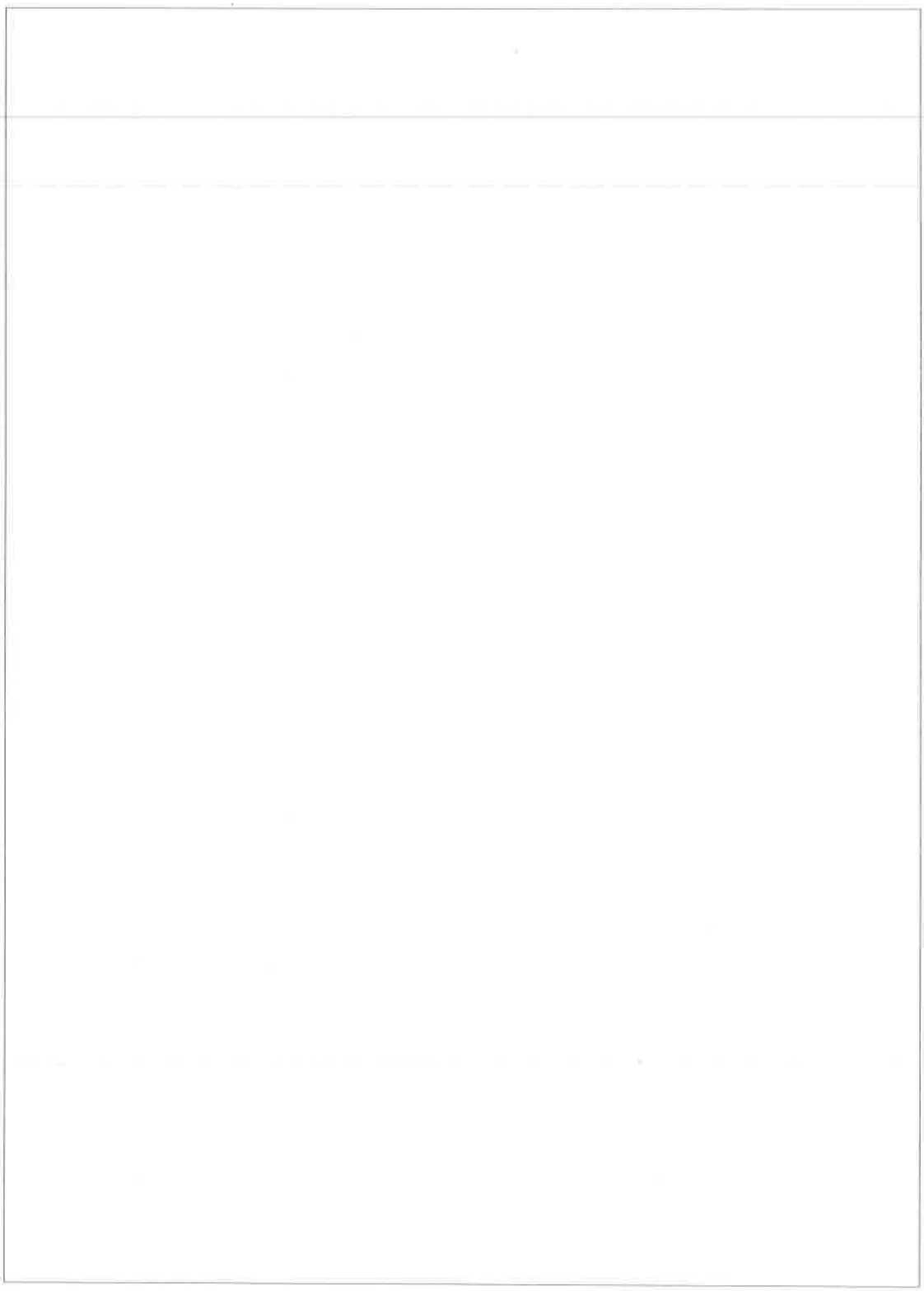

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)
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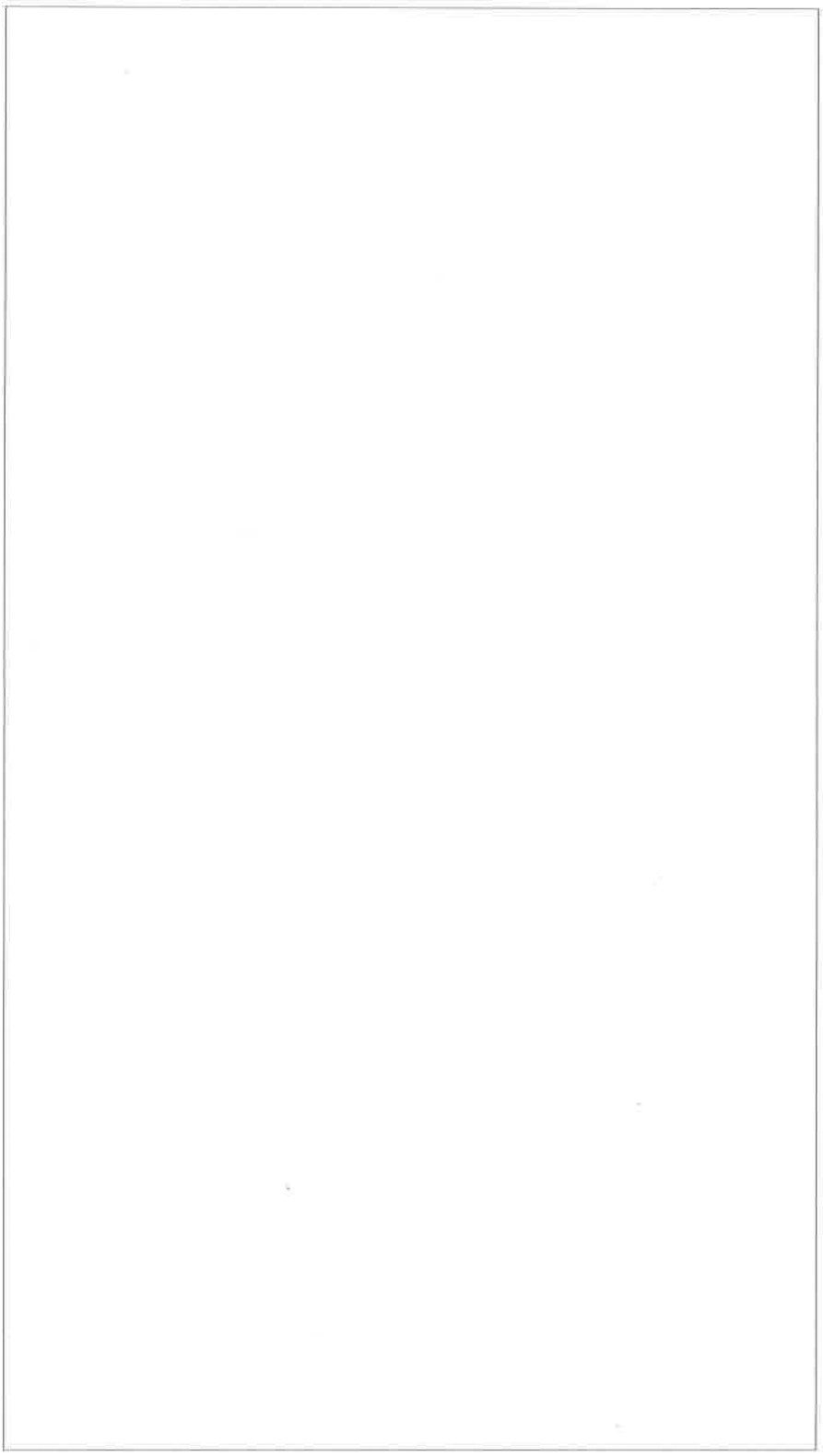

(b)(1)
(b)(3) NatSecAct
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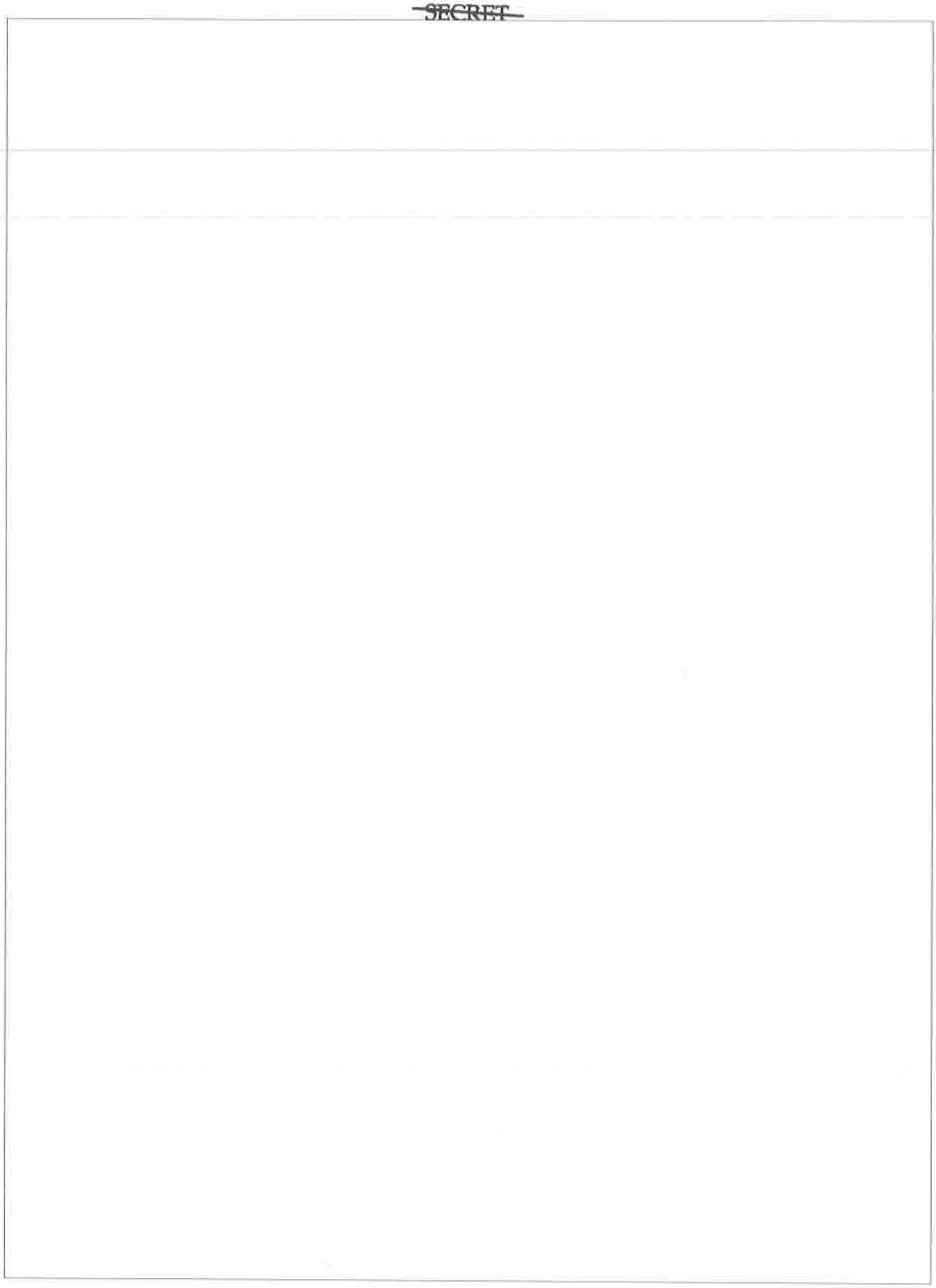

(b)(1)
(b)(3) NatSecAct
(b)(6)
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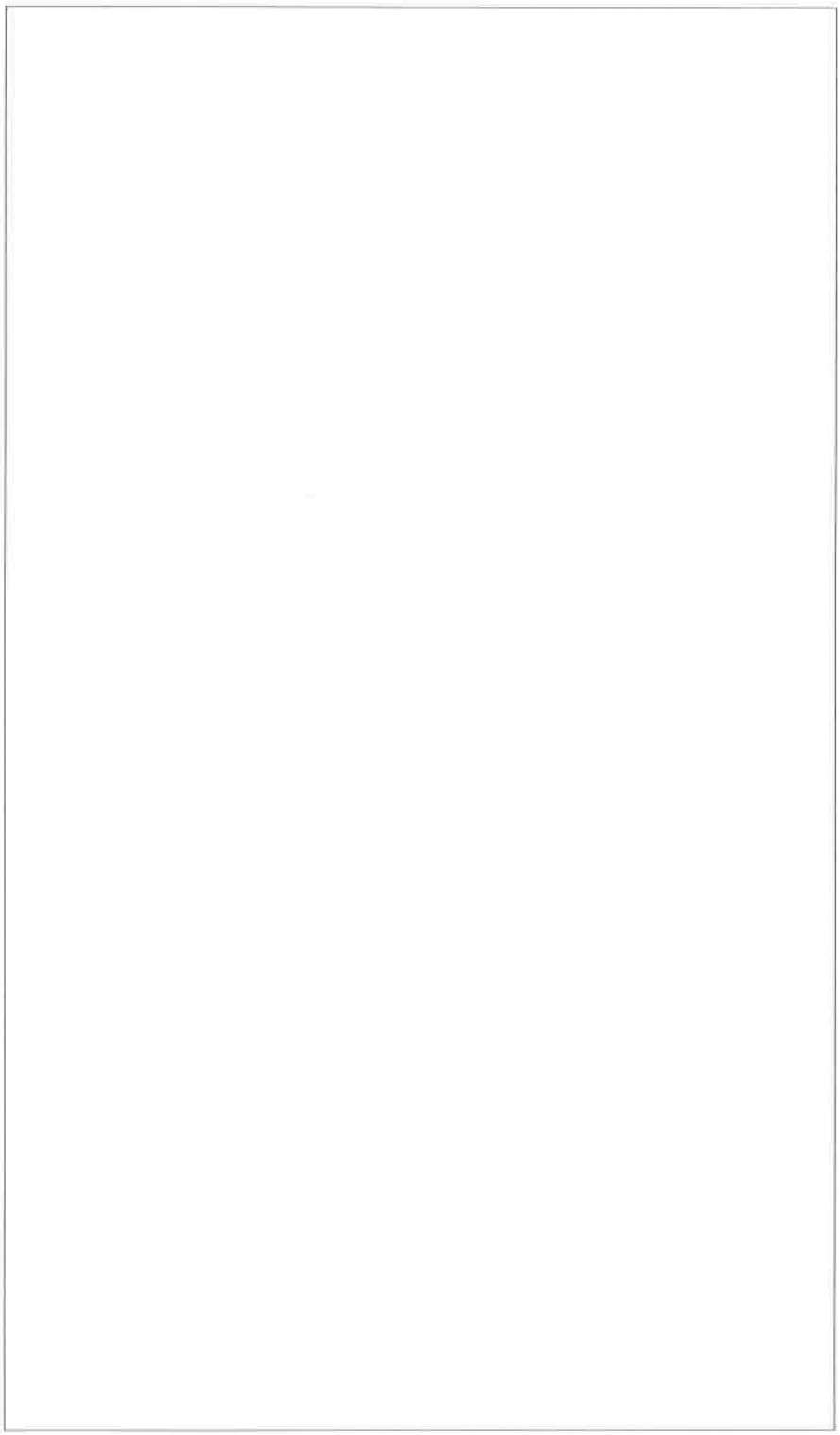

(b)(1)
(b)(3) NatSecAct
(b)(6)
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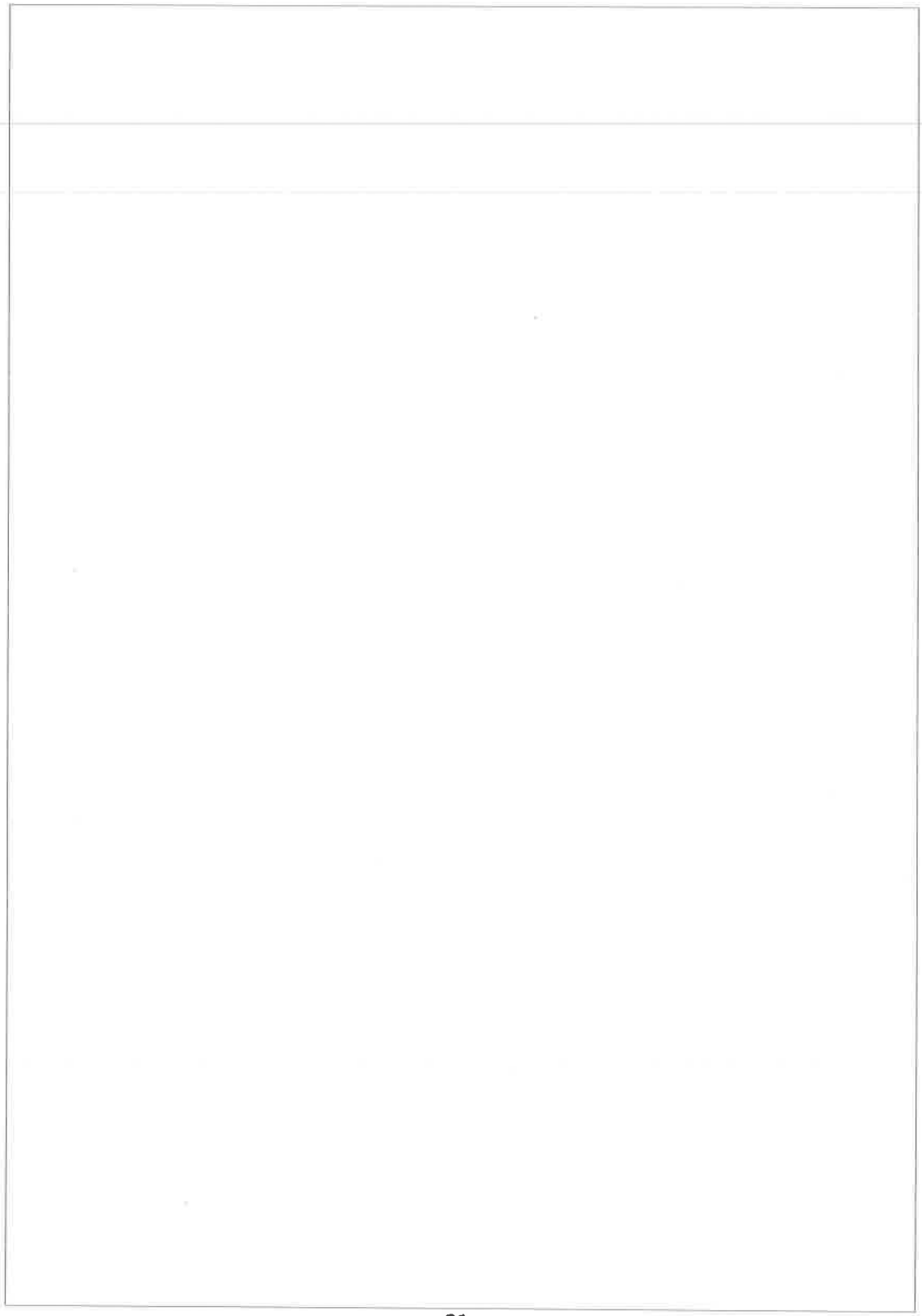

(b)(1)
(b)(3) NatSecAct
(b)(6)
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(b)(7)(d)

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(b)(1)
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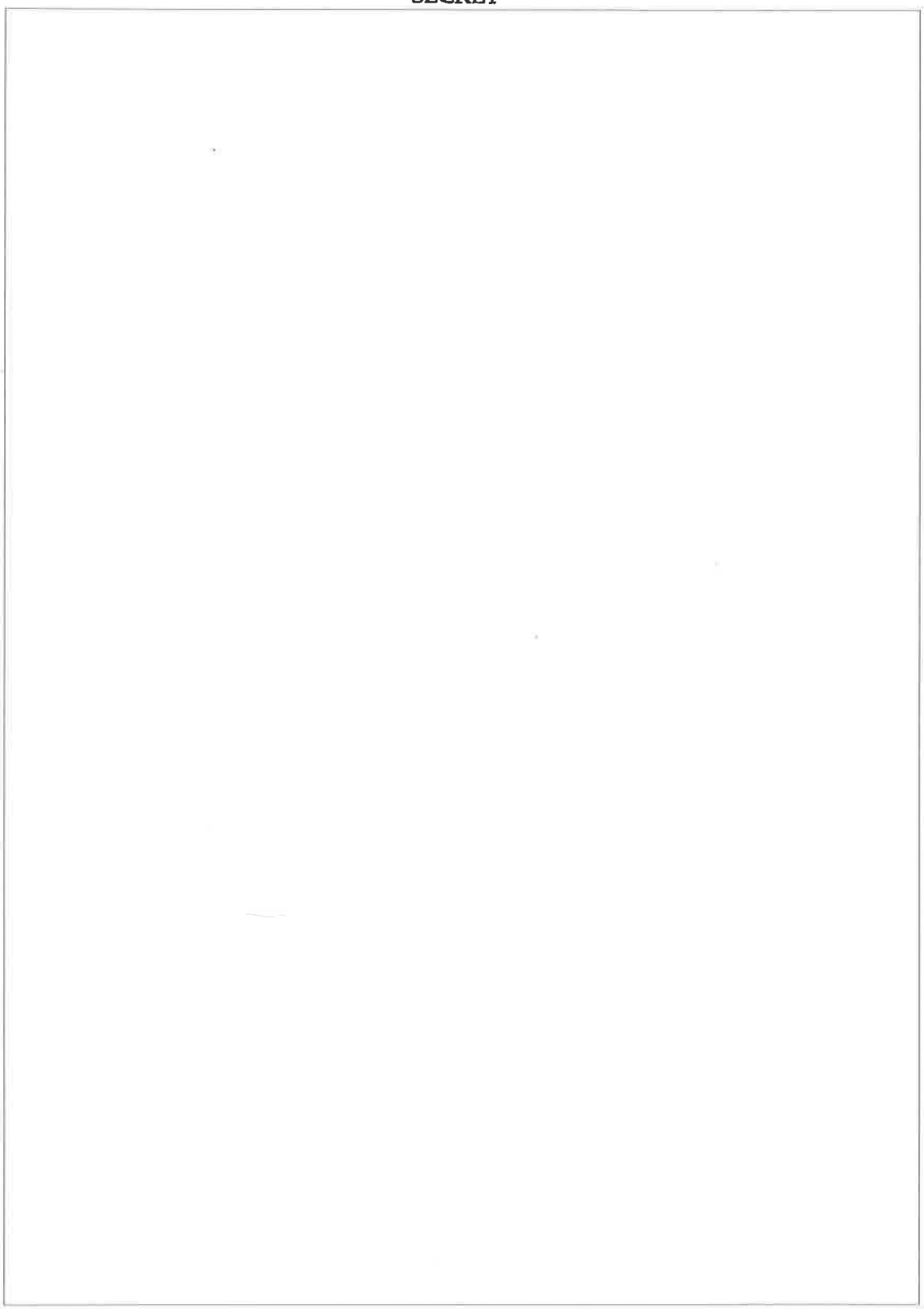

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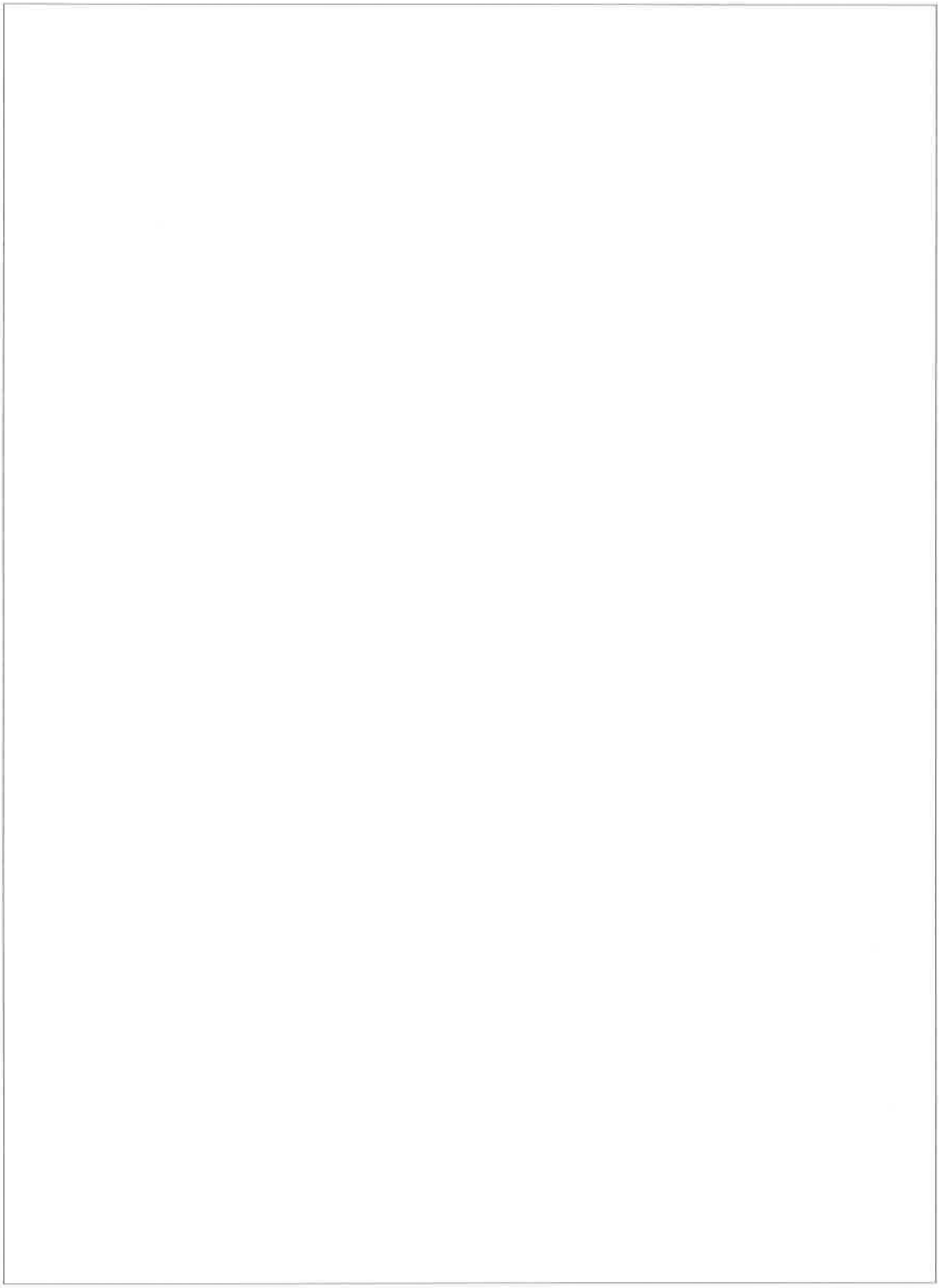

(b)(1)
(b)(3) NatSecAct
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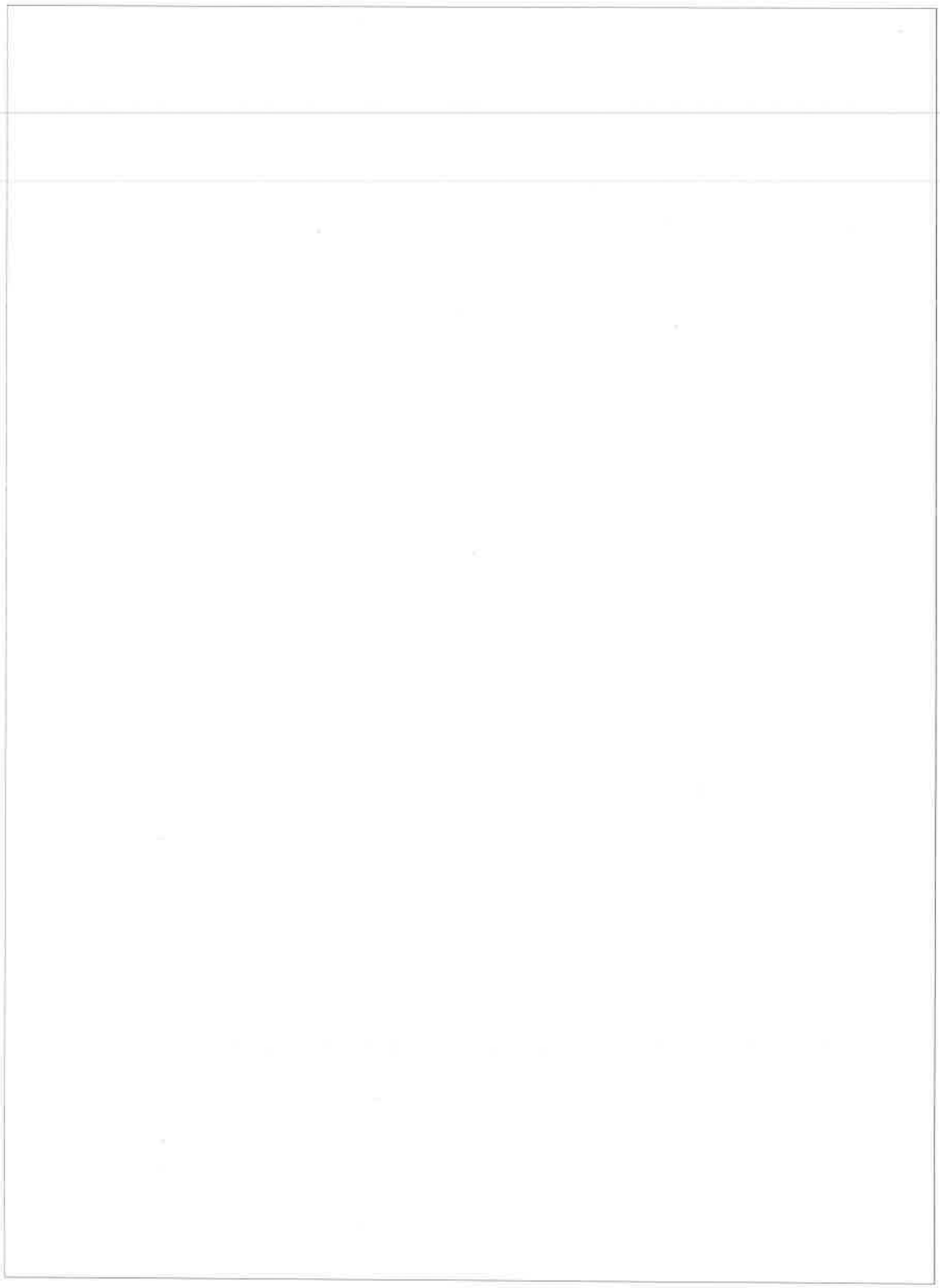

(b)(1)
(b)(3) NatSecAct
(b)(6)
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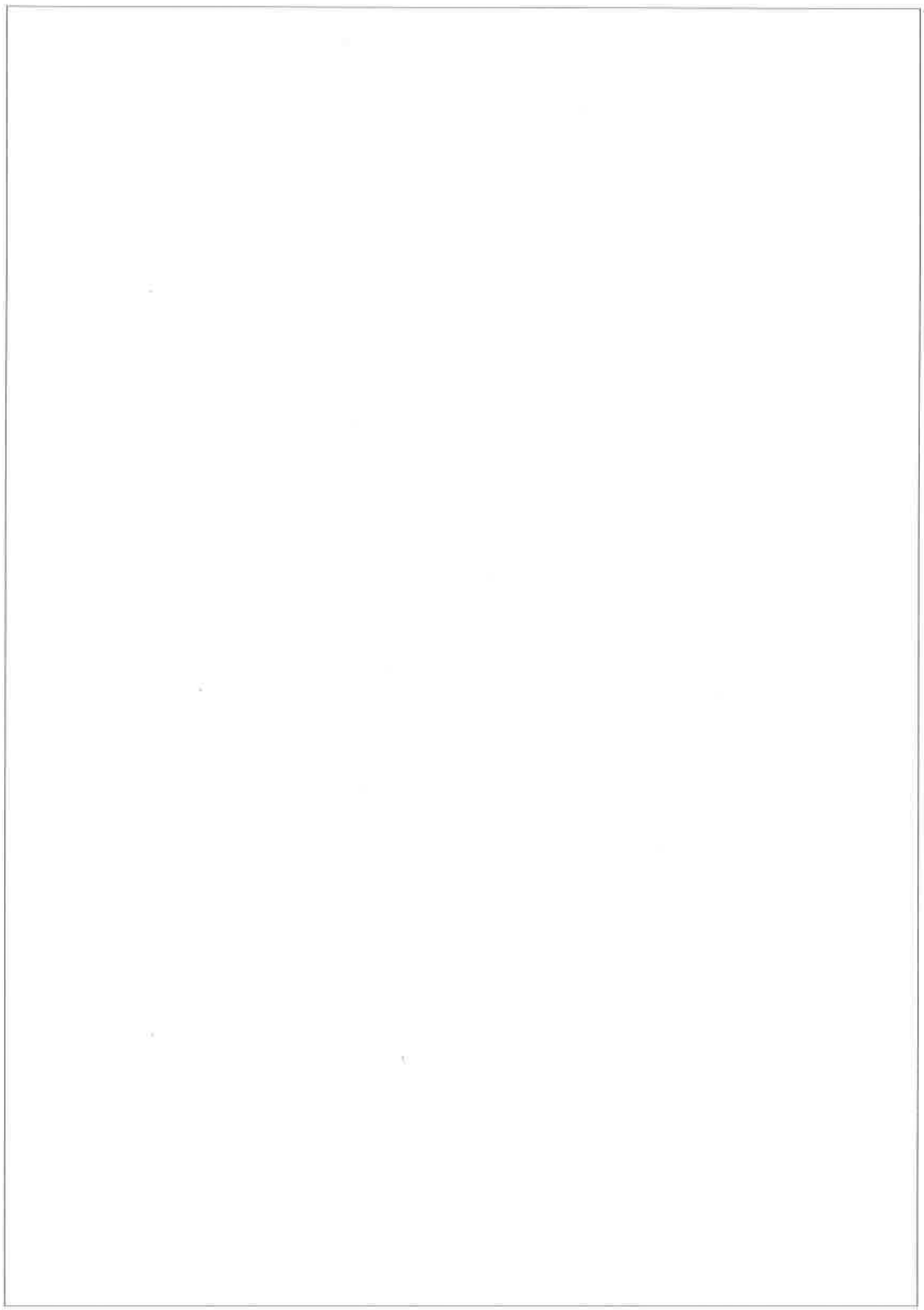

(b)(1)
(b)(3) NatSecAct
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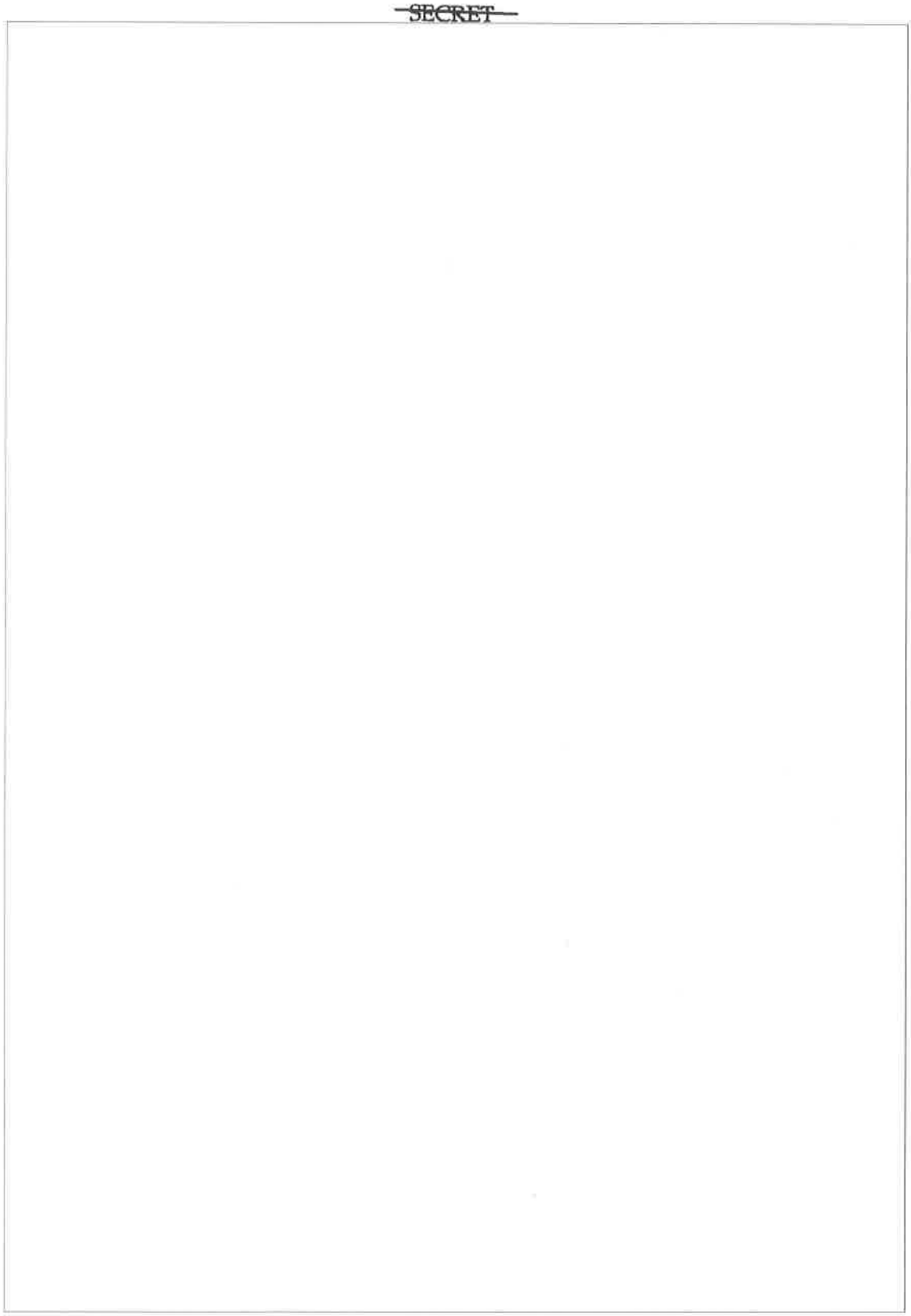

(b)(1)
(b)(3) NatSecAct
(b)(6)
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(b)(1)
(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
(b)(7)(d)

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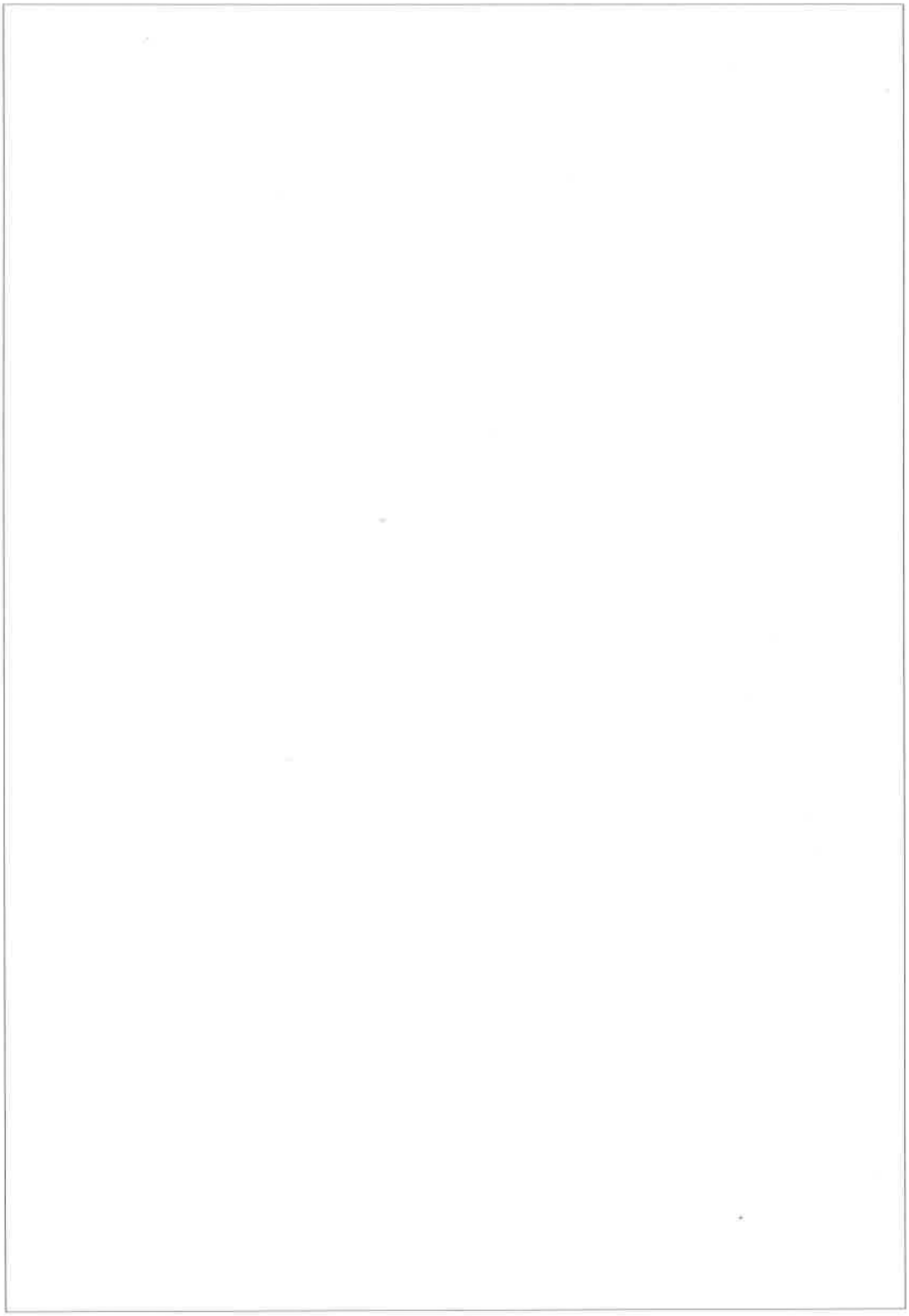

(b)(1)
(b)(3) NatSecAct
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(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)
(b)(7)(d)

~~SECRET~~

[redacted]

G. The C-123K, "Fat Lady"

100. ~~(S)~~ The C-123K [redacted] used for DEA-sponsored *sting* [redacted] was nicknamed "*Fat Lady*." [redacted] CIA took any part in [redacted] to install the two concealed cameras as previously discussed. [redacted]

(b)(1)
(b)(3) NatSecAct
(b)(7)(d)

[redacted]

(b)(1)
(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
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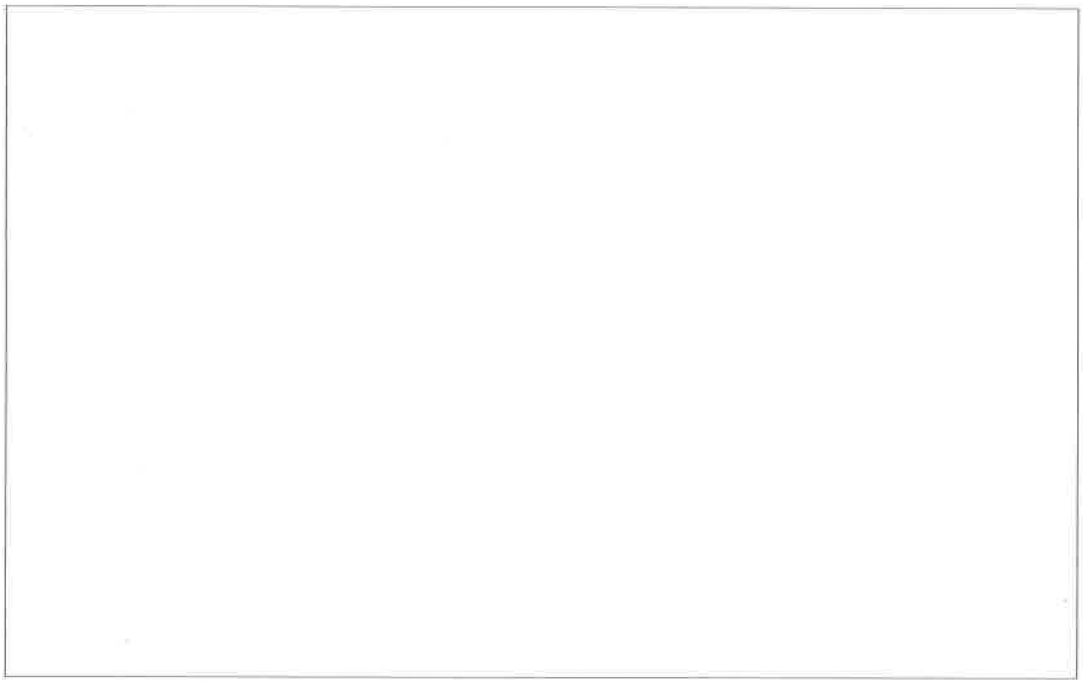

(b)(1)
(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

H. Inquiries to the CIA Regarding Barry Seal

105. ~~(S)~~ Following the DEA *sting* operation, the CIA received external inquiries in September 1984 and January 1985 requesting any information in its possession pertaining to Barry Seal. The searches of CIA records that were conducted in response to the requests produced no information regarding Seal since CIA had no relationship with Seal [redacted] pertaining to the DEA *sting* operation [redacted] and never identified Seal by name. As a result, his name was not reflected in CIA records.

(b)(3) NatSecAct

(b)(7)(d)

(b)(3) NatSecAct

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(b)(1)
(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

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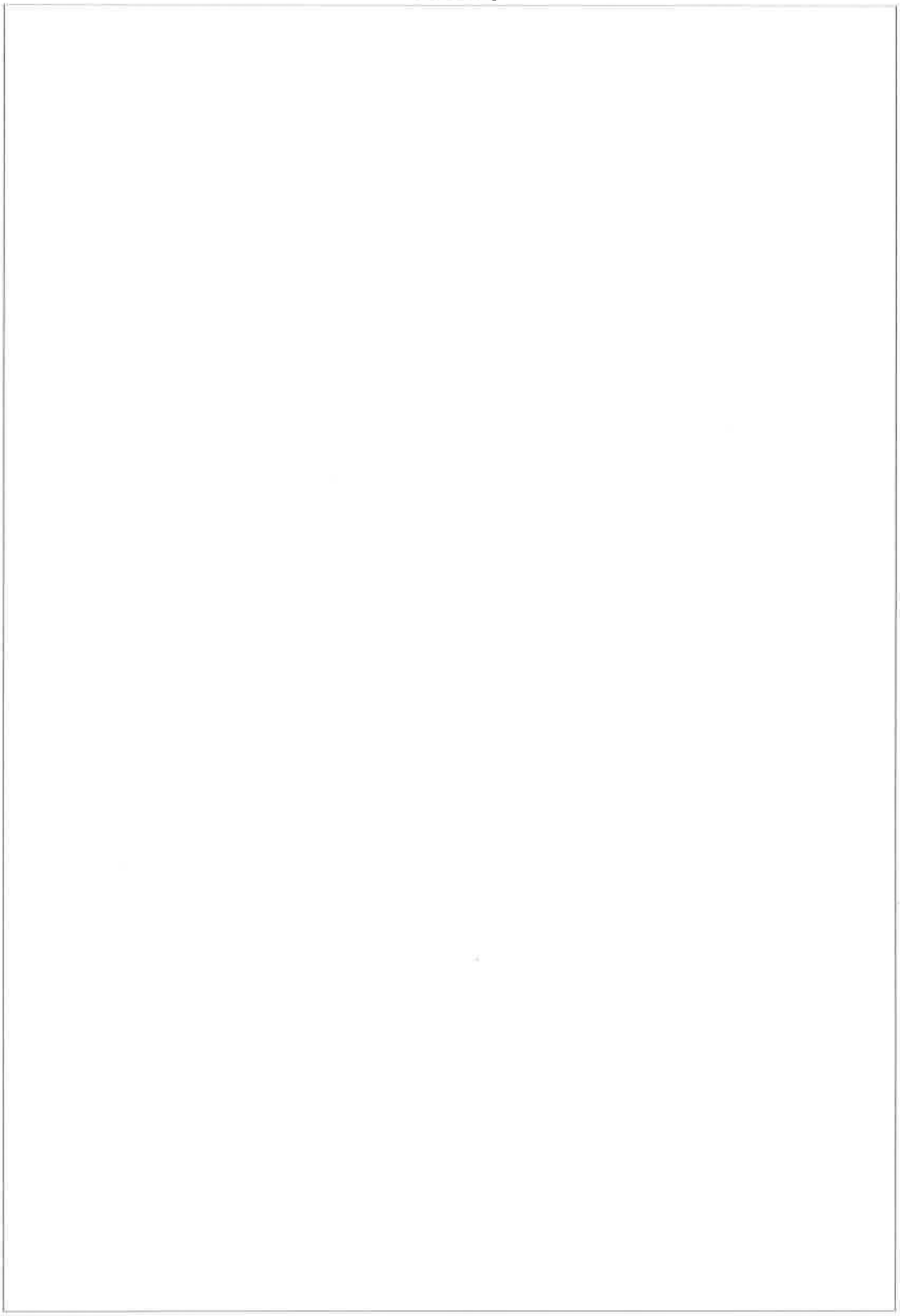

(b)(1)
(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
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(b)(1)
(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
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(b)(1)
(b)(3) NatSecAct
(b)(6)
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Chronology of Significant Events: DEA *Sting* Operation Using Adler Berriman Seal

(b)(1)
(b)(3) NatSecAct
(b)(7)(d)

1984
DEA informs **of *sting* operation and**
requests permission to provide DEA with technical assistance.
CIA Headquarters provisionally approves technical support request.

(b)(1)
(b)(3) NatSecAct

(b)(1)
(b)(3) NatSecAct
(b)(7)(d)

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)
(b)(7)(d)

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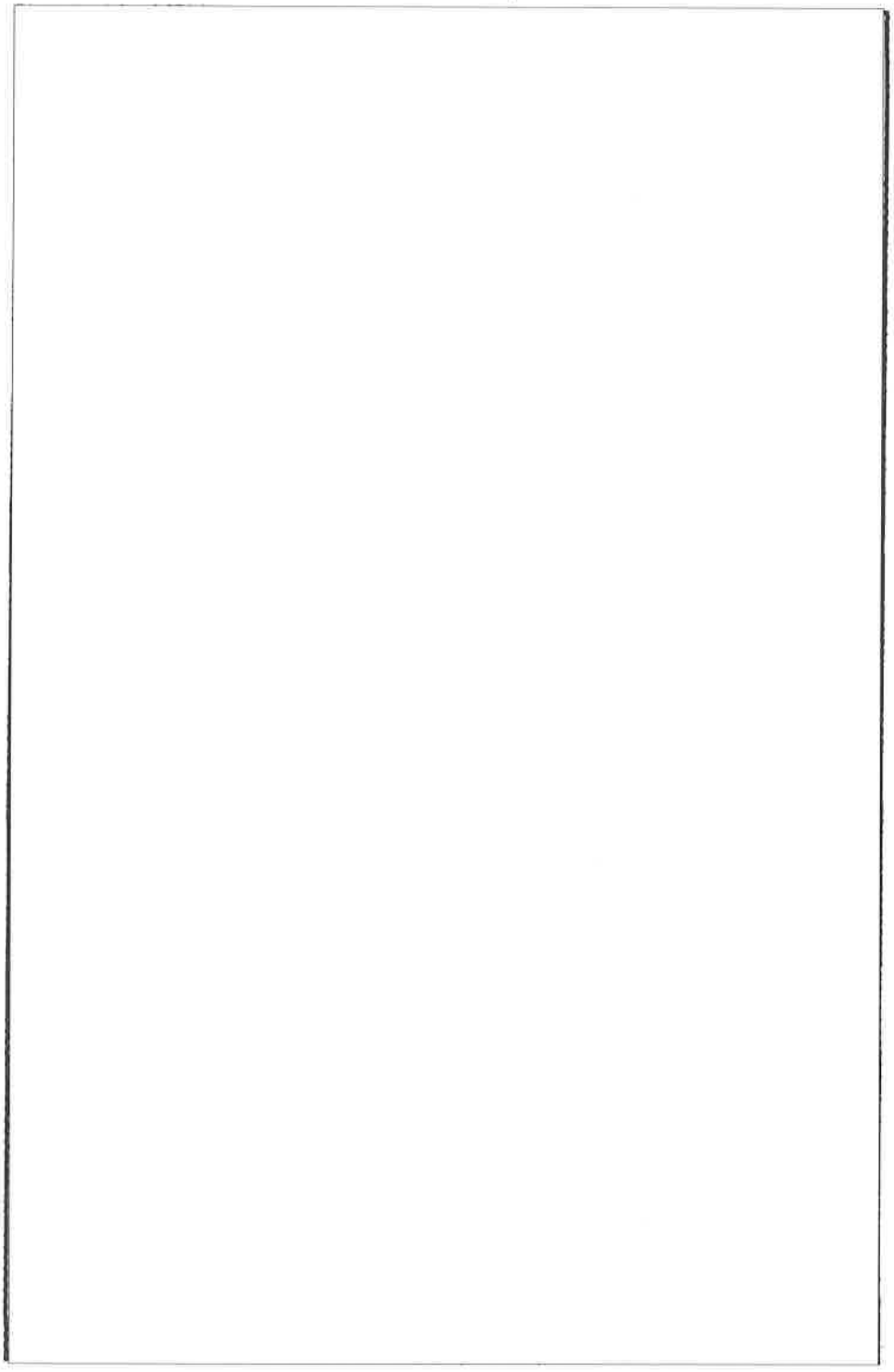

(b)(1)
(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)
(b)(7)(d)

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1985	
	CIA has no record of Seal.
1986	
February 19	**Seal murdered in Baton Rouge, Louisiana**

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

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DID CIA REQUEST DIRECTLY OR INDIRECTLY THAT THE DEPARTMENT OF JUSTICE OR OTHER FEDERAL AGENCIES TERMINATE OR ALTER ANY INVESTIGATIONS OR PROSECUTIONS RELATING TO MONEY LAUNDERING ACTIVITIES AT OR AROUND MENA, ARKANSAS?

115. (~~AIUO~~/U) No evidence has been found to indicate that CIA directly or indirectly attempted to influence DoJ or other federal agencies to terminate or alter any investigations or prosecutions relating to activities at or around Mena, Arkansas.

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)
(b)(7)(d)

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[redacted]

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)
(b)(7)(d)

WHAT WAS THE NATURE AND EXTENT OF ANY CIA CONTACT OR RELATIONSHIP WITH LARRY DOUGLASS "L. D." BROWN?

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

119. ~~(C)~~ Agency records indicate that Larry Douglass Brown was an applicant for employment with the CIA in 1984. [redacted] no evidence has been found to indicate that Brown ever worked for the Agency in any capacity.

[redacted]

(b)(1)
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

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[redacted]

(b)(1)
(b)(3) NatSecAct

121. (U) This conclusion is supported by a July 25, 1995 deposition of Brown that was taken in connection with civil litigation in Arkansas. Brown testified that he saw a CIA recruitment advertisement in *The New York Times* on April 1, 1984 and formally responded to this ad on April 3, 1984. It has been confirmed that CIA ran an employment advertisement in the April 1, 1984 edition of *The New York Times*.

[redacted]

(b)(1)
(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

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(b)(1)
(b)(3) CIAAct
(b)(3) NatSecAct
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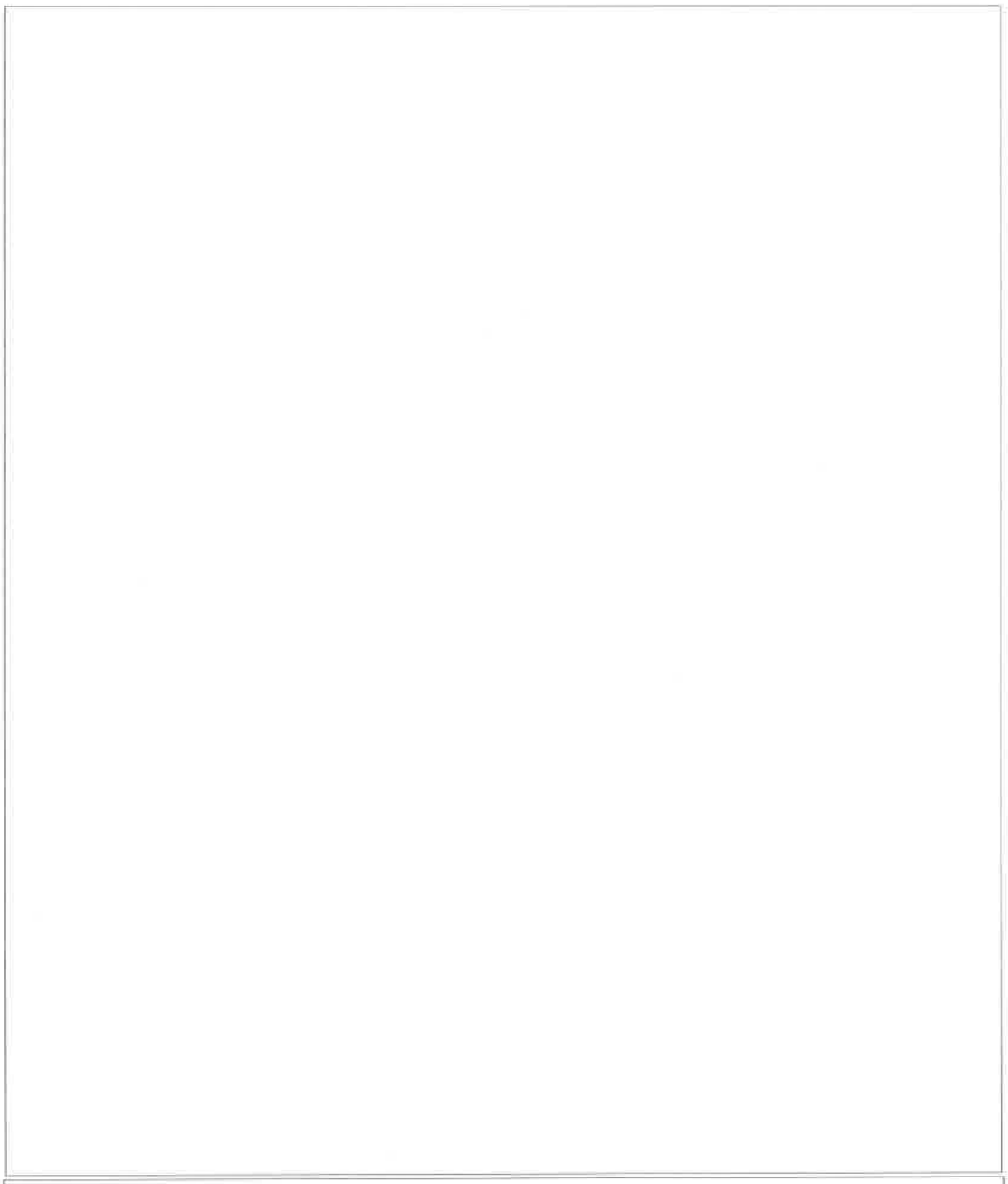

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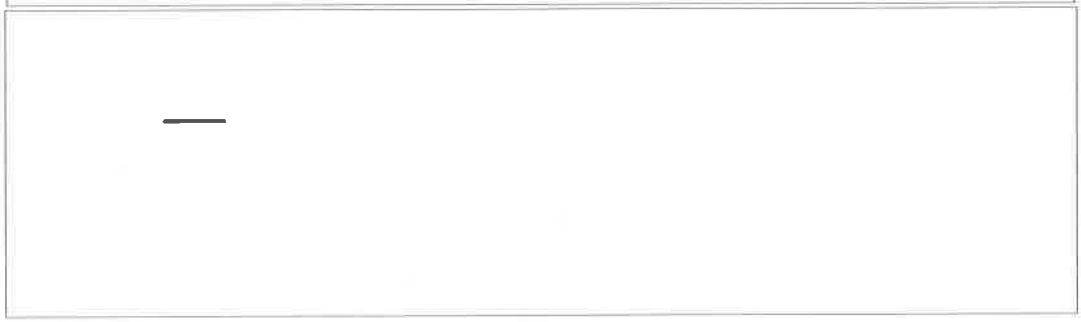

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[redacted] (b)(1) (b)(3) NatSecAct (b)(6) (b)(7)(c)

WHAT WAS THE NATURE AND EXTENT OF ANY CIA CONTACT OR RELATIONSHIP FROM 1980 TO THE PRESENT WITH CERTAIN INDIVIDUALS OR BUSINESSES BASED AT, OR OPERATING THROUGH, THE AIRPORT AT MENA, ARKANSAS?

132. ~~(AIUO/~~U) The House Banking Committee expressed interest in any relevant CIA connection with the following individuals and companies: J. V. Brotherton, Terry Capehart, Glen Conrad, Earl Covel, Cal Edwards, Michael Eigleston, Joe Evans, [redacted] Junior Goodner, Freddie Lee "Fred" Hampton, [redacted] (b)(3) NatSecAct (b)(6) (b)(7)(c)
Michael Johnson, Robert Maddern, George Reeb, Charles Roulet, Brodix, Blue Diamond, Eagle Aviation, Fokker Air, Global Associates, Goodner Aircraft Painting, [redacted] Reebaire, Rose Upholstery, Southern Cross Aviation, [redacted] (b)(3) NatSecAct (b)(6) (b)(7)(c)
No evidence has been found to indicate that CIA was aware of any money laundering, narcotics trafficking, arms smuggling, or other unlawful activities [redacted] (b)(3) NatSecAct

[redacted] (b)(1) (b)(3) CIAAct (b)(3) NatSecAct (b)(6) (b)(7)(c)

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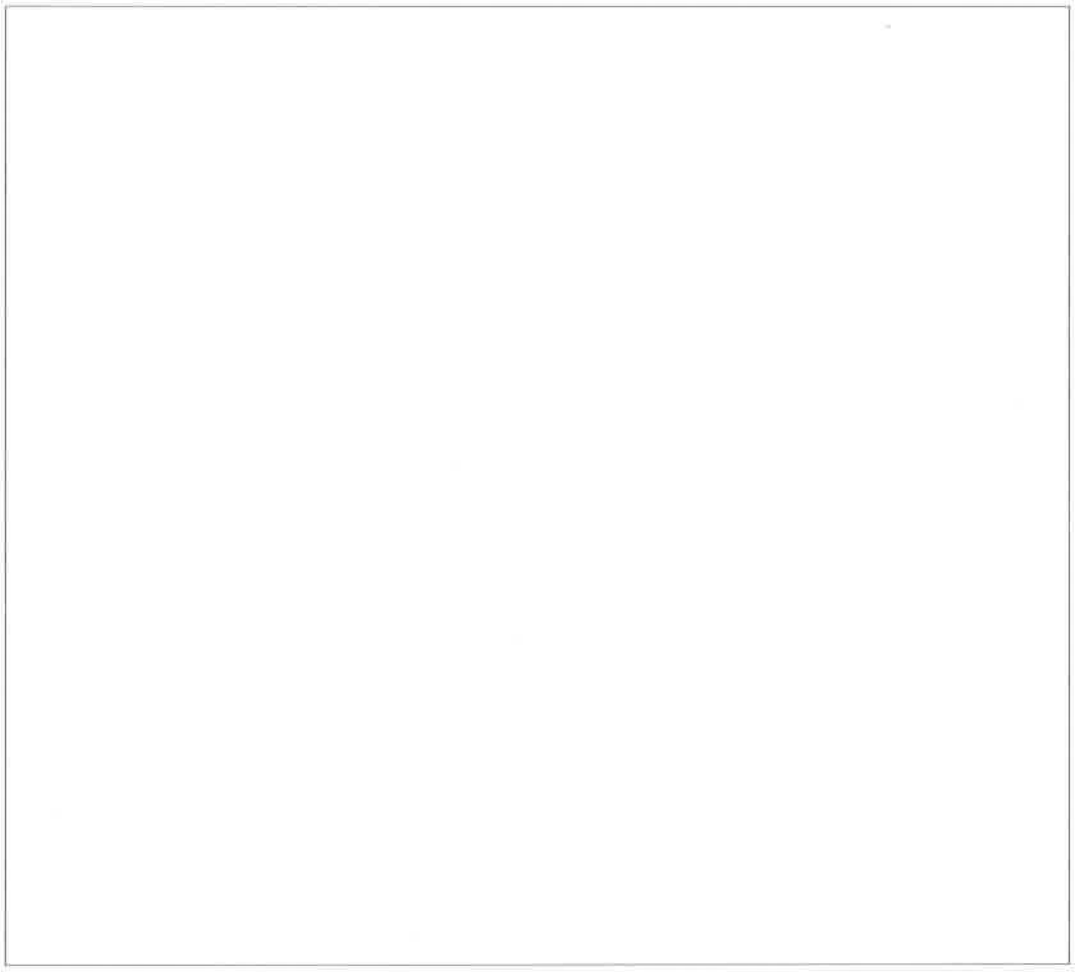

(b)(3) CIAAct
(b)(3) NatSecAct
(b)(6)
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CONCLUSIONS

135. ~~(AIUO~~/U) CIA did conduct certain activities in Mena, Arkansas. However, these activities were consistent with CIA's charter and were not related to money laundering, narcotics trafficking, or arms smuggling. No evidence has been found to indicate that CIA communicated information concerning these activities to Arkansas officials.

(b)(3) NatSecAct
(b)(6)
(b)(7)(c)

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136. ~~(AIUO/~~U) CIA did have contact with Barry Seal in June 1984 in connection with a [redacted] DEA *sting* operation. No evidence has been found to indicate that CIA had any contact with Seal before or after this operation. (b)(3) NatSecAct

137. ~~(AIUO/~~U) No evidence has been found to indicate that CIA directly or indirectly attempted to influence the DoJ or other federal agencies to terminate or alter any investigations or prosecutions relating to money laundering activities at or around Mena, Arkansas.

138. ~~(AIUO/~~U) L. D. Brown did apply for employment with CIA in 1984. [redacted] (b)(3) NatSecAct [redacted] No evidence has been found to indicate that Brown was employed by CIA in any capacity.

139. ~~(AIUO/~~U) No evidence has been found that CIA had contact with any individuals or businesses based at, or operating through, the airport at Mena, Arkansas, except for the joint training operation and maintenance activities addressed elsewhere in this Report. Furthermore, no evidence has been found that CIA was associated with money laundering, narcotics trafficking, arms smuggling, or other illegal activities at or around Mena, Arkansas at any time.

A. R. Cinquegrana

CONCUR:

F. P. Hitz

Frederick P. Hitz
Inspector General

11/8/96
Date

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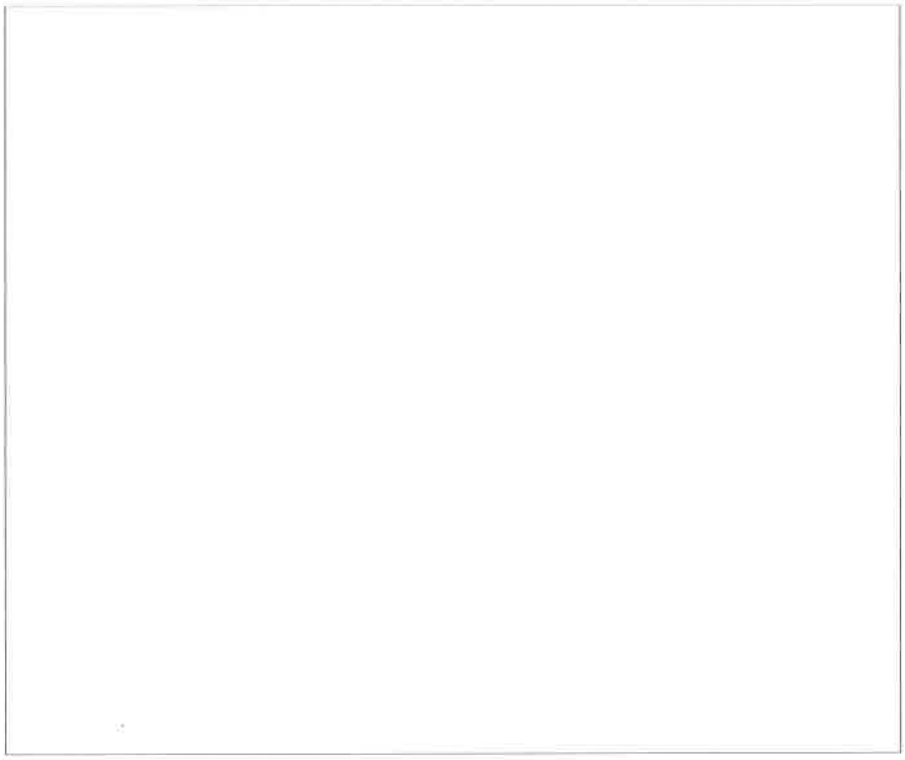

(b)(3) CIAAct
(b)(3) NatSecAct

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